

A N N U A L R E P O R T 1 9 9 2

CAMBIOR

Exploration USA, Inc.

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CAMBIOR

CAMBIOR INC.

CAMBIOR CANADA

- Dayon Mine (50%)
- Rouyn-Noranda Division
- Val d'Or Division
- Niobec Mine (50%)
- Sleeping Giant Mine (50%)
- Grevet Project (50%)
- (1100 Lens Project)
- Audrey Resources (65.4%)

CAMBIOR USA, INC.

- Valdez Creek Placer (75%)
- Carlota Project

CAMBIOR INTERNATIONAL

- Omai Mine (Guyana)
- Polo Sur (Chile)
- Metates (Mexico)
- Suaqui Verde (Mexico)



TABLE OF CONTENTS

Corporate Profile and Highlights	1
Report to Shareholders	2
Five-Year Review	5
OMAI Gold Mines Limited	6
Cambior Inc. - Canada	12
Cambior USA, Inc.	22
Exploration	24
Environment	27
Consolidated Financial Statements and Management's Discussion and Analysis	29
Production Statistics	50
General Information	53

All financial data is expressed in Canadian dollars unless otherwise indicated. Production results are presented in imperial units. A metric conversion table is presented on page 51.

CORPORATE PROFILE

Cambior is a publicly-held Canadian company involved primarily in mining gold and other metals and minerals from deposits located on the American continent.

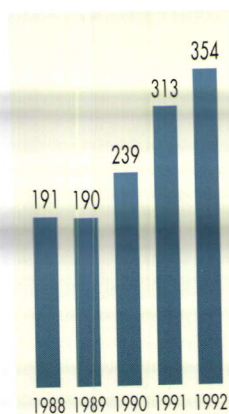
In six years of existence, the Company has mastered all facets of the development of its operations, from deposit discovery to product marketing. Over the last five years, it has figured among Canada's largest gold producers while progressively increasing the pace of its activities.

In 1993, with the Omai Mine coming on stream in Guyana, Cambior expects gold production to grow by 75% to 620,000 ounces. While gold production remains the foundation of the Company's operations, Cambior will also invest in numerous base metals projects in Canada, the United States and Latin America.

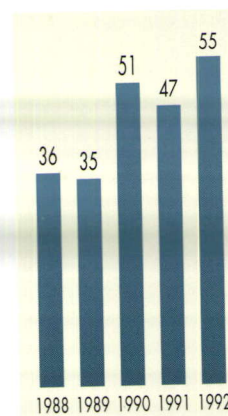
At December 31, 1992, 36,876,757 common shares of the Company were listed on the Toronto and Montréal stock exchanges under the symbol CBJ. Nearly 60% of Cambior's shares are held by Canadian, American and European institutional investors. In 1992, Cambior's shareholders received dividends totalling \$0.14 per common share. Furthermore, during the second half of 1992, the Company's securities substantially outperformed the Toronto Stock Exchange's gold index.

HIGHLIGHTS

Gold production
(thousands of ounces)



Cash flow from operations
(\$ millions)



- Commencement of commercial production at the Omai Mine on January 15, 1993
- 18% rise in cash flow from operations
- \$4.4 million loss arising from a \$16.3 million write-down of assets at the Beauchemin Mine and the Valdez Creek Placer
- Acquisition of a majority interest in Audrey Resources Inc.
- Successful takeover of VSM Exploration Inc.
- Issue of 5,500,000 common shares for net proceeds of \$41.6 million
- Production decision on the Sleeping Giant Mine

R E P O R T T O S H A R E H O L D E R S



Mr. Gilles Mercure,
Chairman of the Board
of Directors

Cambior's primary goal is to maximize the returns to its shareholders. This goal is closely linked to the viability of its producing assets and the growth of its mineable reserves. Consequently, sound management of its existing operations and the addition of high quality mineral deposits are key to ensuring the future success of the Company.

Under the heading diversification

Since the 1950s, most of the capital invested in the mining sector has been concentrated in countries that enjoyed stable economic and political climates. At the dawn of the 21st century, the collapse of the Soviet Union and the establishment of market economies in many countries that were previously closed to mining investors has opened up immense territories with strong geological potential. In the face of current gold prices and fierce competition for economic mineral deposits, exposure to the greatest possible number of opportunities in a select group of countries is advisable, whether in gold or base metals. The level of activity in each country necessarily depends not only on the quality of the deposits, but on the business conditions that may affect project feasibility.

The Company's strategy of diversification is beginning to bear fruit. On January 15, 1993, OMAI Gold Mines Limited, a subsidiary 60% owned and managed by Cambior, officially began commercial production at the Omai Mine in Guyana.

Project construction was completed one month ahead of the initial schedule and US \$3 million under the US \$152 million budget. In 1993, this open pit mine will be one of the largest producing mines in South America, yielding an expected 280,000 ounces of gold per year. The deposit's low production costs and the size and potential of its reserves are worthy of world class status.

While the Omai Mine construction contributed greatly to Cambior's accomplishments for 1992, the Company's other divisions and subsidiaries also experienced a surge in activity.

Cambior, more active than ever in Canada . . .

As a group, the Canadian gold operations posted a modest gain in production for 1992, yielding 289,855 ounces of gold compared to 280,656 ounces the previous year. This increase resulted mainly from the higher contributions of the Mouska and Chimo mines. Three development projects, all located in Northwestern Québec, also became part of the Canadian expansion program in 1992, namely the Grevet, Sleeping Giant and 1100 Lens projects, the last through our new subsidiary, Audrey Resources Inc.

Cambior's participation in the Grevet Project began in July 1992 with the acquisition of 43.6% of the common shares of VSM Exploration Inc. A takeover bid to purchase the remaining shares of VSM Exploration was successfully completed in December. The total cost of the acquisition amounted to \$11.8 million. Through this new subsidiary, Cambior owns a 50% interest in the Grevet polymetallic project. A 16-month, \$26.3 million exploration and development program now underway will enable the Company to earn an additional 20% in the project, for which mineable reserves currently total 11.7 million tons at 8.55% zinc, 0.48% copper and 1.07 oz Ag/t. Work began last November and is progressing well, with the shaft collar and foundations for the headframe and ore silos completed to date.

R E P O R T T O S H A R E H O L D E R S



Mr. Louis P. Gignac,
President and Chief
Executive Officer

In August 1992, following the completion of a feasibility study, Cambior and Aurizon Mines Ltd. approved the development of the Sleeping Giant Mine. Commercial production is planned for the second quarter of 1993. The Sleeping Giant Mine will generate an average production of 35,000 ounces of gold per year.

On September 29, 1992, the Company entered into a number of transactions that enabled it to acquire control of Audrey Resources for \$15.8 million. Audrey Resources is the sole owner of the rights and surface installations relating to the Mobrun Mine, and has a 50% undivided interest in the underground mining rights and operatorship of the 1100 Lens Project. An underground exploration and development program was immediately initiated in October. The program consists of extending the existing shaft 1,200 feet to permit the mining of 8.4 million tons of mineable reserves grading 4.35% zinc, 0.69% copper, 0.95 oz Ag/t and 0.03 oz Au/t. A drilling base will also be established so as to test the potential extension of the 1100 Lens at depth.

... and elsewhere

In the United States, 1992 gold production from our Valdez Creek Placer in Alaska was double that of 1991, at 85,924 ounces. A plan to divert the Valdez Creek for a second time and move the wash plant upstream was initiated last November and should be completed by the end of the first quarter of 1993. The feasibility study for the Carlota copper project in Arizona will also be available by March 1993. The development and drilling programs are both complete, as are the infrastructure engineering drawings. Construction is scheduled to begin in the first quarter of 1994 once the required environmental permits have been obtained, and commercial production is anticipated as early as the first months of 1995.

Cambior is also the new owner of three mineral projects in Latin America. The first, Polo Sur, is a wholly-owned copper oxide deposit in Chile. Geological inventories are estimated at 60 million tons grading 0.43% copper. The two others, the Metates gold project and the Suaqui Verde copper project, are located in Mexico. Cambior has options to earn 50% undivided interests in both projects.

Financial results

Total revenue for the year ended December 31, 1992 amounted to \$187,253,000, 11% higher than a year earlier. Cash flow from operations grew 18% from \$46,765,000 or \$1.52 per share in 1991 to \$55,270,000 or \$1.64 in 1992. The Company nonetheless posted a net loss of \$4,391,000 or \$0.13 per share for 1992 compared to net earnings of \$13,920,000 or \$0.45 per share in 1991. The loss for the year resulted from the write-down of \$16.3 million in assets at the Beauchemin Mine and the Valdez Creek Placer. This write-down was necessitated by weak gold prices, which resulted in lower mining reserves.

The decline in gold prices that began in 1987 continued in 1992, with gold reaching a six-year low of US \$330 per ounce last November. This difficult year for gold was mainly the result of massive selling by central banks. Low inflation in the main industrialized countries, high real interest rates, particularly in Europe, and the absence of reaction to political and economic factors also affected gold prices. However, a reduction in world gold production, the inflationary climate created by the economic recovery led by the United States, and higher consumption in the Asian markets remain factors that may cause gold prices to rise in coming years.

R E P O R T T O S H A R E H O L D E R S

To protect itself against future decreases in gold prices, Cambior has adopted a revenue protection policy that to date has proved highly beneficial. Indeed, despite an annual average price of Cdn \$415 per ounce, Cambior obtained an average selling price Cdn \$69 above market through forward sales and gold loans. In 1993, over 70% of the forecast production will be delivered at an average minimum price of US \$362 per ounce.

At December 31, 1992, cash and short-term investments totalled \$66,262,000 and working capital stood at \$64,184,000. At year end, the Company's total assets amounted to \$603,052,000, almost 50% higher than a year earlier. This substantial increase is mainly due to the major investments required for the construction of the Omai Project and the acquisitions of Audrey Resources and VSM Exploration. Investments totalled \$197,665,000 in 1992, of which over 72% was allocated to the Omai Project construction.

In June 1992, Cambior completed a public offering of 5.5 million common shares, raising a total of \$43,313,000. An additional 665,443 common treasury shares of Cambior were issued in connection with the acquisitions of Audrey Resources and VSM Exploration.

Top ranking gold producer in 1993

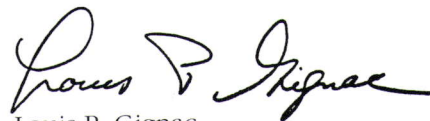
Cambior expects to produce over 620,000 ounces of gold in 1993 with the Omai Mine entering commercial production. This will result in the attainment of one of the Company's main objectives as it joins the ranks of the top North American gold producers.

Despite the closure of the Beauchemin and Béliveau mines at the end of 1993, the Company will maintain its growth rate. Nearly \$35 million will be invested to develop the Carlota and Grevet projects, as well as the 1100 Lens Project, through subsidiary Audrey Resources, and to put the Sleeping Giant Mine into commercial production. Some \$8.3 million will be allocated to explore gold and copper deposits in North America and Latin America.

Finally, management would like to note the retirement of Mr. Claude Bourgoïn from the Board of Directors and thank him for his services to the Company over the last six years. Management would also like to express its appreciation to all 1,440 employees, whose loyalty and devotion is Cambior's greatest asset and a source of tremendous pride. The expertise of its people, the quality of its recently acquired deposits and its consistent financially conservative approach provide Cambior with a firm foundation for continued progress and the means to generate an attractive return for its shareholders.

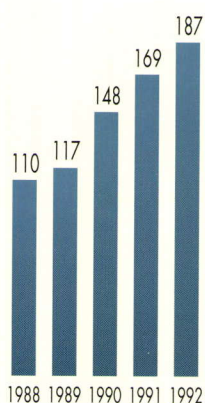
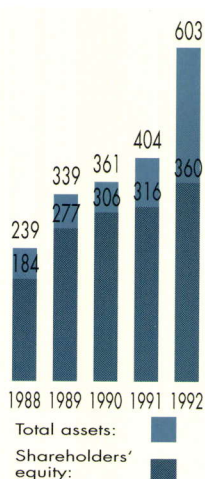
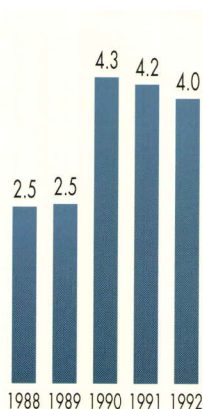


Gilles Mercure
Chairman of the Board of Directors



Louis P. Gignac
President and Chief Executive Officer

FIVE-YEAR REVIEW

Total revenue
(\$ millions)**Total assets and Shareholders' equity**
(\$ millions)**Gold reserves**
(millions of ounces)

Years ended December 31	1992	1991	1990	1989	1988
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Key financial data

(thousands of Canadian dollars)

Total revenue	\$187,253	\$169,093	\$147,884	\$116,883	\$109,848
Mine operating costs	118,282	106,712	82,884	69,123	57,472
Depreciation and depletion	45,499	32,652	22,428	16,709	15,277
Administrative expenses	4,038	3,187	3,656	3,160	2,340
Exploration expenses	6,309	9,208	12,105	6,838	9,939
Net earnings (Net loss)	(4,391)	13,920	23,991	17,661	17,438
Cash flow from operations	\$55,270	\$46,765	\$50,548	\$34,970	\$35,709
Dividends	4,686	4,300	3,992	2,956	2,590
Fixed assets	175,523	88,908	32,670	57,493	49,606
Acquisitions ¹	22,209	18,049	26,253	5,186	(51,146)
Cash and short-term investments	66,262	48,409	72,412	85,312	43,172
Total assets	\$603,052	\$404,170	\$360,787	\$338,637	\$239,127
Working capital	64,184	52,379	76,998	85,595	38,180
Long-term debt ²	149,709	35,926	8,099	21,540	20,726
Shareholders' equity	359,726	316,128	306,427	277,195	183,832
Weighted average shares outstanding	33,703,812	30,711,314	30,660,868	24,170,323	23,493,890

Key per share data

(in Canadian dollars)

Earnings (Loss)	\$(0.13)	\$0.45	\$0.78	\$0.73	\$0.74
Cash flow from operations	1.64	1.52	1.65	1.45	1.52
Dividends	0.14	0.14	0.13	0.12	0.11
Shareholders' equity	9.75	10.29	9.98	9.24	7.75

Key production data

Production (ounces of gold)	354,298	312,665	239,391	189,483	191,207
Total reserves (ounces of gold) ³	4,047,000	4,223,000	4,266,000	2,545,000	2,504,000
Operating costs per ounce:					
Mine operating costs ⁴	\$302	\$314	\$309	\$322	\$284
Depreciation and depletion ⁴	\$123	\$100	\$ 88	\$ 83	\$ 83
Total cost ⁴⁻⁵	\$425	\$414	\$397	\$405	\$367
Selling price	\$484	\$494	\$542	\$549	\$573

¹ Includes acquisition of subsidiaries and interests of joint venture partners² Including unrealized gain - gold loan³ Cambior's share, including 100% of the Omai Mine mineable reserves⁴ Producing mines only⁵ Before royalties, exploration expenses and corporate expenses



OMAI MINE

**In 1993, over
23 million tons
of ore and waste
will be extracted
from the Fennell pit
to generate nearly
280,000 ounces
of gold.**

The Omai Mine is located about one hundred miles south of Georgetown, the capital of Guyana. Formerly a British colony, Guyana covers an area of 83,000 square miles on the northeastern coast of South America.

Cambior manages the Omai mining operation through its subsidiary, OMAI Gold Mines Limited, holding 60% of the common shares and a majority representation on the Board of Directors. Golden Star Resources Ltd. and the State of Guyana hold 35% and 5% of the common shares respectively.

A great challenge

The construction and development of the Omai Mine, Guyana's first major gold operation, was Cambior's greatest undertaking to date. Construction began in September 1991 and ended one month earlier than originally scheduled. The cost of construction and development amounted to US \$147.7 million as at December 31, 1992 compared to a budget of US \$152 million. The Omai Mine entered into commercial production on January 15, 1993, the start of a 30-day period during which the average milling rate exceeded 60% of the mill's nominal capacity. OMAI Gold Mines officially inaugurated the mine with great pride on March 11, 1993.

Financing

Cambior furnished all the capital required for the construction of the Omai Mine. The Company provided its subsidiary with a loan of 326,771 ounces of gold totalling US \$120 million and a US \$5 million capital lease on certain items of equipment. The remaining funds were advanced in the form of a US dollar loan and a subscription to Class III preference shares. The gold loan and equipment lease carry interest rates equal to the cost of financing obtained by Cambior from its bankers, plus a premium of 3% per year. The US dollar loan and Class III preference shares carry interest and dividend rates of 15% per year, respectively. The US \$120 million gold loan granted to OMAI Gold Mines by Cambior was obtained from a banking syndicate led by the Royal Bank of Canada and Chase Manhattan Bank of Canada.

Exploration expenses incurred prior to December 31, 1990 are reflected in the capital structure of OMAI Gold Mines by US \$11 million in Class I preference shares held by Golden Star and US \$2.9 million in Class II preference shares owned by Cambior.

It has been agreed that 10% of the operating cash flow remaining after the payment of a 5% royalty on gold production to the State of Guyana and net of various financial expenses and corporate income taxes will be used to redeem Golden Star's Class I preference shares. The balance of cash flow will be applied to repay Cambior's investment and the return thereon.

Once these repayments have been made, cash flow from operations, net of royalty payments and corporate income taxes, will be distributed in the form of dividends to the holders of common shares of OMAI Gold Mines.

Cambior's investment in OMAI Gold Mines is insured by the Export Development Corporation (EDC), a Canadian crown corporation, and re-insured in part by MIGA, a World Bank agency. The insurance contract covers 90% of all losses arising from certain political risks, including war, expropriation and restrictions on the transfer of funds, up to a maximum of US \$163 million. The cost of the insurance is borne by OMAI Gold Mines.

O MAI MINE



Some of the key contributors to the success of the Omai Project, from left to right.

Top row:

E. Konigsmann, L. Roy, F. Viens, N. MacLean and N. Gingras;

Centre:

T. Hogan, J. Hettinger, C. Dumont, G. Bell and G. Veillette;

Bottom row:

R. Leclerc and B. Caron

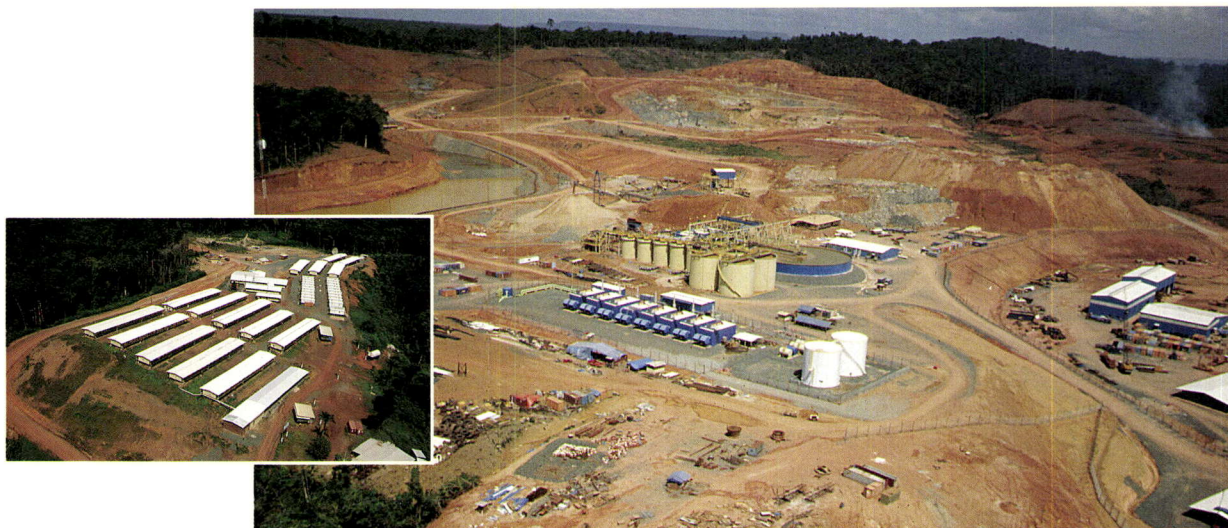
Construction

The economic slowdown in North America facilitated the process of building the Omai Mine. All the materials and equipment were delivered to the site promptly and at competitive prices. Cambior also benefited from good availability of skilled manpower.

The entire access and camp infrastructure for the site was completed by the first quarter of 1992. The main achievements included the port facility at Linden, where all materials arriving from overseas were unloaded, the road to the mine site, and the housing facilities.

All the service buildings for the mining complex, including the administrative offices, warehouse, maintenance shop and laboratory, were completed by July 1992. The fresh water reservoirs and distribution system and the sewage collection and treatment facility were finished during the third quarter. The electrical distribution network was installed during the second half of the year. Finally, six of the eight generators on site were operational in December, and the remaining two by January 1993. Construction work on the mill was ongoing throughout the year, but was most intense between May and November. The mill received its first batch of ore feed on December 15, 1992.

O MAI MINE



**Aerial view of the
Omai mining complex
and camp facilities**

Preproduction

Mining activities began with the arrival of the first mining equipment in February 1992. The progressive hiring and training of manpower and the periodic delivery of mining equipment allowed a gradual increase in the average mining rate, and during the fourth quarter a total of 3,842,400 tons of ore and waste was extracted. The Fennell pit reached bedrock in June 1992 and a smooth transition was made from excavating soil (saprolite and alluvials) to mining hard rock, with the attendant drilling and blasting requirements.

Large volumes of saprolite and waste rock were used to build the retention dike for the tailings pond. Some 8,237,700 tons of ore and waste were excavated between February and the end of December 1992. To date, production drilling in the benches mined since mining activities began in the Fennell pit has confirmed the presence of 2,247,000 tons of mineable reserves grading 0.047 oz Au/t; in the feasibility study, mineable reserves for these same benches were estimated at 1,525,700 tons grading 0.039 oz Au/t. The additional reserves were found mainly in the host rock surrounding the highly mineralized intrusive that is the heart of this deposit.

Applying the same methods of calculation as in the 1990 feasibility study, proven and probable mineable reserves increased 6.4% during the preproduction period to 2,268,000 ounces.

	December 31, 1992		December 31, 1990 ¹	
	Tonnage (thousands of tons)	Grade (oz Au/t)	Tonnage (thousands of tons)	Grade (oz Au/t)
Fennell Pit				
Alluvials	1,400	0.053	840	0.068
Saprolite	4,050	0.043	1,930	0.052
Hard rock	36,360	0.048	35,980	0.048
Sub-total	41,810	0.048	38,750	0.048
Wenot Lake Pits				
Alluvials	1,870	0.036	860	0.037
Laterite	3,230	0.037	3,230	0.037
Saprolite	1,770	0.052	1,770	0.052
Hard rock	130	0.055	130	0.055
Sub-total	7,000	0.041	5,990	0.041
TOTAL	48,810	0.047	44,740	0.048
OUNCES OF GOLD IN SITU	2,268,000		2,131,000	

¹ According to the Omai Project Feasibility Study.

O MAI MINE



All aspects of milling are regulated from a high-tech control room.

Production Plan

In 1993, the Omai Mine will process 5,000,000 tons of ore grading 0.06 oz Au/t. The mining plan provides for a monthly extraction rate of 1,650,000 tons of ore and waste for the first nine months of the year. Some nine million tons of ore (high and low grade) and 17 million tons of waste will be excavated in 1993, yielding a stripping ratio of 1.92 tons of waste for each ton of ore.

Ore will be fed to the mill from the Fennell pit and the ore stockpiles. To ensure the optimal performance of the milling circuits, a 3:1 hard rock-to-soft rock ratio will be maintained, except during the first quarter of 1993, when the ratio will be lower as less hard rock is available. Recovery is expected to average 93%.

The forecast milling rates for 1993 are as follows :

Period	Daily milling rate (tons)
1 st quarter	11,800
2 nd quarter	13,200
3 rd quarter	15,400
4 th quarter	15,700
Average	14,000

The Omai Mine will yield 280,000 ounces of gold in its initial year of commercial production. The operating cost for 1993 is expected to be about US \$200 per ounce, with an additional charge for depreciation of US \$85 per ounce.

Capital expenditures are expected to amount to \$8,682,000 in 1993, including \$5,630,000 for the purchase of additional mining equipment.

O MAI MINE

**Outlook**

In 1993, the Omai Mine will be one of the largest gold mines in South America. It will contribute greatly to Cambior's expansion outside Canada and assist substantially in Guyana's socio-economic development. The mining complex has resulted in the direct creation of nearly 850 new jobs in Guyana.

In May 1992, following a vote organized by the Ministry of Labor, the Guyana Bauxite & General Workers Union was given the mandate to represent the hourly employees of OMAI Gold Mines Limited. The first collective agreement is currently being negotiated.

Cambior has a good relationship with the Government of Guyana. In elections held on October 5, 1992, Dr. Cheddi Jagan was elected president of Guyana and the People's Progressive Party (PPP) assumed power. The Company established cordial relations with Dr. Jagan and several of his ministers, and anticipates that the new government will pursue economic policies conducive to expanding private investment. Cambior intends to expand its activities in Guyana through various exploration programs.

DOYON DIVISION

Doyon Mine

Located 25 miles east of Rouyn-Noranda, Québec, the Doyon Mine has been in commercial production since 1980 and is one of Canada's largest gold mines. Cambior owns an undivided 50% interest in this property, with Lac Minerals Ltd. owning the remaining 50% interest. Lac operates the mine under the direction of a committee composed of representatives of the two partners.

In 1992, the Doyon Mine produced 252,112 ounces of gold. The mill maintained an excellent production rate, averaging 3,500 tons per day. The results of 1992 production compare to those of the previous year as follows:

Production (Cambior's share)	1992	1991
Tonnage milled (tons)	638,100	626,400
Grade (oz Au/t)	0.21	0.21
Recovery (%)	95.3	96.2
Gold production (ounces)	126,056	128,635

The quantity of tonnage extracted from the underground mine reached a new record of 1,174,000 tons, nearly 7% higher than the tonnage mined in 1991. The higher production was partly due to an increase in production from longhole stopes in the West Zone.

Mining of the crown pillar began during 1992. Development proceeded according to plan, and new mining levels were prepared in the Main and West zones. The sources of ore in 1991 and 1992 were as follows:

Production (Cambior's share)	1992		1991	
	Tons (000)	Grade (oz Au/t)	Tons (000)	Grade (oz Au/t)
Main Zone	363.7	0.15	356.6	0.18
West Zone	224.4	0.33	194.2	0.33
Low-grade stockpiles	50.0	0.08	77.0	0.08
Total	638.1	0.21	627.8	0.21

Operating costs for 1992 were 5% lower than in 1991 due to increased productivity and improved efficiency in services. The following revenue and expenses were recorded by Cambior for 1991 and 1992:

	1992 (Cdn \$/oz)	1991 (Cdn \$/oz)
Revenue	468	478
Operating costs	237	250
Depreciation	66	61
Operating earnings	165	167

Cambior's share of capital expenditures for the Doyon Mine amounted to \$6,457,000, with \$4,813,000 applied to exploration drilling and mine development and \$1,644,000 required for the construction of a new tailings pond and the acquisition of new equipment.

In 1993, Cambior will invest nearly \$4 million to continue the construction of the new tailings site and purchase additional mining equipment.

DOYON DIVISION



In 1992, almost 872,000 tons of ore at a grade of 0.16 oz Au/t were defined by drilling and added to proven and probable mineable reserves at the Doyon Mine. Drilling below the 8th level also substantially increased possible reserves. Cambior's share of mineable reserves are distributed as follows:

In operation for two years now, the high density sludge plant at the Doyon Mine improves control of the mine tailings and environmental protection.

Reserves (Cambior's share)	December 31, 1992		December 31, 1991	
	Tons (000)	Grade (oz Au/t)	Tons (000)	Grade (oz Au/t)
Main Zone				
Proven	1,619	0.16	1,886	0.16
Probable	2,299	0.17	2,401	0.17
West Zone				
Proven	923	0.24	722	0.33
Probable	672	0.21	635	0.21
Low-grade stockpiles	112	0.07	184	0.07
Total	5,625	0.18	5,828	0.19

Outlook

The underground mining rate will be increased by 7% in 1993 to partially compensate for a slight decrease in grade. The mining plan indicates gold production of 245,000 ounces at the Doyon Mine in 1993.

Some 400 employees presently work at the Doyon Mine, about 15% fewer than one year ago. This personnel reduction resulted from certain changes aimed at increasing productivity in 1992. Negotiations are now underway to renew the collective agreement with the hourly employees and draw up the first collective agreement with the junior staff.

VAL D'OR DIVISION

Summary

The Val d'Or Division consists of the Chimo and Béliveau mines. Production for the division and revenue and expenses for 1992 compare to last year's figures as follows:

Production	1992 (ounces)	1991 (ounces)
Béliveau	34,761	38,510 ¹
Chimo	32,276	29,846
Total	67,037	68,356
¹ Including 596 ounces from the Routhier Showing		
	(Cdn \$/oz)	(Cdn \$/oz)
Revenue	468	491
Operating costs	295	291
Depreciation	131	112
Royalties	4	4
Operating earnings	38	84

Capital expenditures of \$2 million for 1992 arose mainly from exploration and development at the division's mines and the expansion of the tailings site at the Béliveau Concentrator.

In 1993, the division is expected to produce 54,000 ounces of gold. The decline in production will result from the depletion of reserves at the Béliveau Mine and the temporary suspension of mining at the Chimo Mine. A total of \$10.4 million will be invested in the Chimo Mine in 1993 to deepen the shaft, explore the extension of reserves at depth, relocate the Béliveau Concentrator to the Chimo Mine site and construct a tailings pond and a backfill plant. This work will require a total investment of \$14.5 million and will be completed by the second quarter of 1994.

Chimo Mine

The Chimo Mine is situated 20 miles east of the Béliveau Mine. The mine has been wholly owned by Cambior since April 1990, and employs 58 people. Despite an interruption of its mining activities in October, production was up 8% in 1992 at 32,276 ounces of gold. The shutdown resulted from a rockburst that took place on September 27, 1992. No employees were injured in the incident. Nonetheless, severe material damage was sustained, necessitating the stabilization of the rock and rehabilitation of the shaft over the ensuing five weeks. The mining sequence and pillar dimensions were revised on the basis of new geotechnical studies. Production statistics for the Chimo Mine were as follows:

Production	1992	1991
Tonnage milled (tons)	268,000	271,800
Grade (oz Au/t)	0.13	0.12
Final recovery (%)	90.8	89.5
Gold production (ounces)	32,276	29,846

The increase in gold production for 1992 resulted from higher ore grades and improved recovery at the Béliveau Concentrator.

At December 31, 1992, proven and probable mineable reserves stood at 1,112,200 tons grading 0.15 oz Au/t.

Mining activities at the Chimo Mine will be suspended for seven months in 1993, from April through October, to allow the shaft to be extended and the underground infrastructure to be developed at depth. Consequently, gold production will decline to 15,000 ounces in 1993. During the summer of 1993, foundations will be built to allow the transfer of the Béliveau Concentrator building and equipment.

V

AL D'OR DIVISION

Béliveau Mine

The Béliveau Mine commenced production in 1989. Cambior owns 100% of this property, located about 15 miles east of Val d'Or, Québec. Over 70 employees work at the mine. The production statistics for the Béliveau Mine are as follows:

Production	1992	1991
Tonnage milled (tons)	469,300	445,600
Grade (oz Au/t)	0.08	0.09
Final recovery (%)	93.8	93.7
Gold production (ounces)	34,761	37,914

A drilling program conducted during the year on the lateral and depth extensions of the mineralized zone failed to identify new mineable reserves. At December 31, 1992, proven mineable reserves were therefore 529,400 tons grading 0.08 oz Au/t.

In 1993, the production rate at the Béliveau Mine will be increased to partially compensate for the lack of ore from the Chimo Mine while the shaft extension program is underway. The Béliveau Mine will close in the fourth quarter of 1993 due to mineable reserve depletion, as foreseen when the feasibility study was prepared in 1989. The mine production plan provides for the extraction of 357,000 tons of ore from the Main Zone and 126,000 tons from the South Zone. No exploration or development will be undertaken in 1993. Nearly 39,000 ounces of gold will be recovered from the mine during its final year of production.

In the last two years, 24% of the total gold produced by the Val d'Or Division has been recovered in the gravimetric circuit at the Béliveau Concentrator.



Béliveau Concentrator

The concentrator operated at full capacity in 1992, at an average rate of 2,050 tons per day. Over 737,000 tons of ore from the Béliveau and Chimo mines were processed, with recovery of 95.6% of gold in the concentrate.

In 1993, the Béliveau Concentrator will operate at full capacity until the mineable reserves at the Béliveau Mine are depleted during the fourth quarter. Cambior then plans to dismantle the concentrator and move it to the Chimo Mine site to resume milling in the second quarter of 1994.

ROUYN-NORANDA DIVISION

Summary

The Rouyn-Noranda Division is made up of three mines and one mill. Production from this division rose 15% in 1992 as a result of a higher contribution from the Mouska Mine, which completed its first full year of commercial production. Details of the gold production and financial results for 1991 and 1992 are shown below:

Production (Cambior's share)	1992 (ounces)	1991 (ounces)
Beauchemin	26,692	31,912
Silidor (45%)	33,352	33,106
Mouska	36,128	18,647
Low-grade stockpiles, Doyon	590	—
Total	96,762	83,665
	(Cdn \$/oz)	(Cdn \$/oz)
Revenue	520	529
Operating costs	336	358
Depreciation	198	162
Royalties	7	7
Write-down of mining assets	84	—
Operating earnings (loss)	(105)	2

Despite a 6% reduction in operating costs, the division recorded a substantial loss due to the accelerated depreciation and write-down of assets at the Beauchemin Mine. These adjustments were necessitated by a large drop in economic reserves arising from the current weakness in gold prices.

Capital expenditures for the division amounted to \$2,576,000 in 1992, including \$1,791,000 applied to exploration and the development of the mine infrastructure, and \$785,000 invested in equipment.

The Rouyn-Noranda Division will produce about 90,000 ounces of gold in 1993.

Denis Cimon,
Superintendent of
the Vézina Mill,
accompanied by
Réjean Ricard, Claude
Dufresne and Martin
Plourde, oversees the
operation of the water
treatment plant, which
contributes significantly
to environmental
protection.



R

OUYN-NORANDA DIVISION

Vézina Mill

More than 80,000 samples are assayed each year at the Vézina Mill laboratory. The assays are used to control mining and milling activities and assess exploration and definition drilling programs.



The Vézina Mill is located 25 miles north of Rouyn-Noranda, Québec, in the heart of the Rouyn-Noranda Division. In addition to the mill, the property houses the division's administrative offices and assay laboratory. Forty-five employees work at the site.

In 1992, the Vézina Mill processed 551,300 tons of ore from the division's three mines and the low-grade stockpiles at the Doyon Mine, as well as 19,100 tons of gold/pyrite concentrate from the Béliveau Concentrator.

The milling rate averaged 1,510 tons per day in 1992, 10% more than in 1991. Overall recovery was 95.4% for 1992. This excellent performance resulted in a 5% savings in milling costs.

Beauchemin Mine

The Beauchemin Mine was the first property put into commercial production by the Company. Located nine miles west of Rouyn-Noranda, Québec, this mine began operating in 1988, and relies on the services of 100 employees.

The poor competence of the rock in certain stopes caused a considerable reduction in productivity. The production statistics for 1992 compare to 1991 results as shown below:

Production	1992	1991
Tonnage milled (tons)	162,400	186,700
Grade (oz Au/t)	0.17	0.18
Recovery (%)	96.1	94.0
Gold production (ounces)	26,692	31,912

Due to a downward revision of mineable reserves, a write-down of mining assets in the amount of \$8,102,000 was recorded at the end of 1992. The mine will close in 1993 as the 126,000 tons of mineable reserves grading 0.17 oz Au/t that can be economically recovered will be depleted by December. An average of nine stopes will be active during the first seven months of the year. Mining activities will gradually decline in the subsequent months. The Beauchemin Mine will produce about 20,000 ounces of gold in 1993.

ROUYN-NORANDA DIVISION

Silidor Mine

Cambior owns a 45% undivided interest in the Silidor Mine, located on the outskirts of Rouyn-Noranda, Québec. In commercial production for two years now, the Silidor Mine employs 119 people. Hemlo Gold Mines Inc. has a 55% stake in the property and operates the mine under the supervision of a committee made up of an equal number of representatives of the two companies.

In 1992, some 479,000 tons of ore were extracted from the Silidor Mine. The amount of ore mined by shrinkage and longhole methods amounted to 121,000 and 219,000 tons respectively, and 139,000 tons were generated by development activities. Production statistics for Cambior's share in the mine were as follows:

Production (Cambior's share)	1992 Production	1991 Production and preproduction
Tonnage milled (tons)	219,700	220,000
Grade (oz Au/t)	0.16	0.16
Recovery (%)	96.1	93.8
Gold production (ounces)	33,352	33,106

At December 31, 1992, Cambior's share of proven and probable mineable reserves totalled 1,283,900 tons grading 0.15 oz Au/t. In 1993, production from the Silidor Mine will rise due to the exclusive employment of the longhole mining method. Development of the lower part of the deposit will begin in 1993 with the excavation of a ramp. Cambior's share of production from the Silidor Mine will be about 32,500 ounces in 1993.

Mouska Mine

The Mouska Mine completed its first full year of commercial production in 1992. Cambior, the sole owner of the mine, initiated commercial production in July 1991. Eighty-two employees work at this mine, situated adjacent to the Doyon Mine.

In 1992, better dilution control resulted in narrower mining of this vein-type deposit and an increase in ore grade. Comparative production results for the last two years are as follows:

Production	1992 Production	1991 Production and preproduction
Tonnage milled (tons)	159,200	94,260
Grade (oz Au/t)	0.24	0.22
Recovery (%)	95.3	91.8
Gold production (ounces)	36,128	18,647

At the end of the 1992 financial year, proven and probable mineable reserves totalled 411,600 tons at a grade of 0.21 oz Au/t.

In 1993, an average of seven shrinkage stopes will be in production, yielding gold production of about 34,000 ounces.

NIOBEC DIVISION

Niobec Mine

The only niobium mine in North America, the Niobec Mine is 50% owned by Cambior. Its partner, Teck Corporation, operates the mine while Cambior is responsible for the marketing of niobium pentoxide (Nb_2O_5). This product is transformed into ferroniobium and introduced into steel alloys to improve their tensile strength and ductility at low temperatures.

Production results for Cambior's share in this mine located nine miles northwest of Chicoutimi, Québec, are shown below for 1991 and 1992:

Production (Cambior's share)	1992	1991
Tonnage milled (tons)	449,300	443,500
Grade (% Nb_2O_5)	0.68	0.69
Recovery (%)	59.3	60.2
Production (lbs Nb_2O_5)	3,619,500	3,710,200

Diamond drilling conducted from a level 1,000 feet below surface allowed the renewal of mineable reserves extracted in 1992. At December 31, 1992, Cambior's share of proven and probable mineable reserves was 5,662,800 tons grading 0.66% Nb_2O_5 . The present shaft must be extended to mine the additional reserves below the 1,000-foot level.

The Niobec Mine will operate at full capacity in 1993 to produce a total of 7,275,200 pounds of Nb_2O_5 .

CANADIAN DEVELOPMENT PROJECTS

Sleeping Giant Mine

The Sleeping Giant Mine is located 50 miles north of Amos, Québec. This mine produced 96,597 ounces of gold under the management of Aurizon Mines Ltd. between 1988 and 1991. On January 29, 1991, Cambior agreed to invest \$12,000,000 in exploration and development work prior to July 1, 1993 in return for a 50% undivided interest and the operatorship of the joint venture.

The underground exploration program initiated in July 1991 was completed by June 1992. Nearly 7,500 feet of drifting and 126,000 feet of drilling were carried out. This work resulted in the identification of proven and probable mineable reserves of 458,300 tons grading 0.22 oz Au/t. The preproduction program began in August 1992 following the approval of the feasibility study. Some 3,700 feet of drifts and raises were excavated and 22,000 feet of drilling was completed during the second half of 1992. The preparation of four stopes also began during this period. At December 31, 1992, surface stockpiles of ore stood at 18,500 tons grading an estimated 0.17 oz Au/t. Cambior has invested a total of \$10,500,000 in the project to date.

The preproduction period will last until the second quarter of 1993. The Company will have met its obligations under the contract between the two partners by the first quarter of 1993 and will have earned its full 50% interest. Five stopes will be active by the time the mine officially enters commercial production. The mine will then employ 96 people and will produce a total of about 23,000 ounces of gold in 1993 at a cost of \$300/ounce.

CANADIAN DEVELOPMENT PROJECTS

1100 Lens Project

The 1100 Lens lies on the Mobrun property, 19 miles northeast of Rouyn-Noranda, Québec. Audrey Resources Inc. is the sole owner of the Mobrun Mine surface facilities, which include a 1,650 ton-per-day mill. Audrey also owns a 50% interest in the mining rights to the 1100 Lens and the operatorship of the project through a joint venture agreement dated July 12, 1989 and amended September 4, 1991, with its partner, Minnova Inc.

On September 29, 1992, Cambior subscribed to 20,000,000 common shares of Audrey Resources at \$0.65 per share, and through private transactions, purchased an additional 3,776,038 common shares to control 65.35% of the outstanding shares of Audrey Resources. The final cost of the acquisition amounted to \$15,832,000. In connection with the share subscription, four members of Audrey's board were replaced by senior officers of Cambior.

Following this acquisition, a first phase of the 1100 Lens exploration and development program was initiated in October 1992.

The first activity of Phase 1 consists of extending the existing shaft by 1,200 feet to a total depth of nearly 2,500 feet. Some 2,200 feet of drifting will then be excavated on the 4,650 level so as to establish an appropriate base from which to carry out more than 23,000 feet of exploration drilling at depth. This drilling program will test the extension of the deposit at depth and provide information required to determine the final depth of the shaft, the mine infrastructure, the mining sequence and rate and the development to be included in Phase 2 of the program. At December 31, 1992, probable mineable reserves stood at 8.4 million tons grading 4.35% Zn, 0.69% Cu, 0.95 oz Ag/t and 0.03 oz Au/t.

During Phase 1, Minnova will only contribute to the exploration work, while Audrey Resources will assume the entire cost of the shaft and ventilation raise, as well as contributing its share of exploration expenses. Should Minnova decide to participate in Phase 2 of the program, it must reimburse Audrey Resources for its share of the development expenses incurred during Phase 1.

Phase 1 will require an investment of \$7,362,000; Audrey Resources capitalized \$1,605,000 of this amount during the year ended December 31, 1992. Audrey Resources will spend \$4,234,000 in 1993 to fund its share of Phase 1. At December 31, 1992, the shaft had been extended 500 feet, 42% of the planned total. On February 20, 1993, the headframe was severely damaged by fire, and reconstruction will cause a two-month delay in the original schedule.

A feasibility study will be prepared during the first quarter of 1994, based on which a production decision will be taken by each of the partners. If the decision is positive, commercial production from the 1100 Lens could begin in the first quarter of 1995. The Mobrun Mill will not operate in 1993. However, the facility will be maintained and kept in good operating condition so as to facilitate the future resumption of operations.

At December 31, 1992, the Mobrun Mine shaft had been extended 500 feet, 42% of the planned total.



CANADIAN DEVELOPMENT PROJECTS

Grevet Project

The Grevet shaft collar was efficiently excavated and poured in December 1992.



In the second half of 1992, Cambior purchased all the outstanding common shares of VSM Exploration Inc. through two private transactions and a public takeover bid. VSM Exploration's main asset is a 50% interest in the Grevet polymetallic deposit located 50 miles northeast of Lebel-sur-Quévillon, Québec. Cambior paid a total of \$11,803,000 for its interest in this project.

Cambior and its partner, SEREM-Québec Inc., entered into an agreement regarding an underground exploration program on the Grevet property. Work began in November 1992 and will continue until the first quarter of 1994. Cambior will invest \$26.3 million to sink a 2,500-foot shaft, develop 5,000 feet of exploration drifts on the 800, 1,000 and 1,200 foot levels, execute 22,200 feet of diamond drilling and prepare a feasibility study. Under the terms of an option agreement with SEREM, \$15,000,000 in work will earn Cambior an additional 20% in the Grevet Project, giving it a total undivided interest of 70%.

At December 31, 1992, access road construction and site clearing and levelling were complete, as was the construction of a 15-mile power line to the site. The settling pond, drainage area and pumping station installation were also finished, as were the excavation and pouring of the shaft collar and the foundations for the silos and headframe. At December 31, 1992, Cambior's investment amounted to \$2,061,000.

During the first quarter of 1993, the headframe will be erected and shaft sinking will begin. The construction of the surface facilities and installation of the hoist will follow. Some 1,700 feet of drifting and over 5,600 feet of definition drilling will be carried out in 1993 to confirm a portion of the mineable reserves. At the end of 1992, probable mineable reserves were estimated at 11.7 million tons grading 8.55% Zn, 0.48% Cu and 1.07 oz Ag/t. A positive production decision following the completion of the feasibility study would lead to commercial production in the third quarter of 1995.

CAMBIOR USA, INC.



Members of the US technical services team, from left to right:
Ronald J. McGregor,
Duane Bollig, Alex Bissett, Ken Assmus, and Howard Harlan

Convinced that decentralized management would improve efficiency and provide better coverage of business opportunities, Cambior undertook an internal corporate restructuring in 1991 following its expansion into the United States with the acquisition of Westmont Mining. This initiative resulted in the creation of a management and technical services group assigned to Cambior's American subsidiary and based in Denver, Colorado. The group's main function is to develop and manage Cambior's mining assets and assess various mining projects in the United States and Latin America.

In addition to overseeing the Carlota project, in 1992 the Denver technical team focused on the search for copper oxide deposits amenable to the SX-EW copper recovery method (solvent extraction and electrowinning), and low cost gold deposits. The group also collaborated with the international exploration team on Cambior's corporate development in Mexico and Chile.

VALDEZ CREEK DIVISION

Valdez Creek Placer

The Valdez Creek Placer lies 150 miles northeast of Anchorage, Alaska and employs 172 people. Cambior operates the project and owns a 75% undivided interest in the property, with Camindex Resources Inc. holding the minority interest.

In 1992, the productivity of the placer grew 56% from 1991 to an average gravel extraction rate of 33,670 cubic yards per day. Gold production totalled 85,924 ounces, and the production statistics for Cambior's share of the Valdez Creek Placer were as follows:

Production (Cambior's share)	1992	1991
Waste gravel (x 1000 yd ³)	7,863	5,550
Pay gravel (x 1000 yd ³)	673	362
Average grade (raw oz Au/yd ³)	0.11	0.11
Gold production (ounces)	64,443	32,009

In 1992, cash operating costs for the Valdez Creek Division dropped 28% relative to 1991 to US \$315/ounce. Despite this improvement, the division posted a loss of \$11.2 million, mainly due to an \$8.1 million write-down of assets necessitated by weak gold prices.

At December 31, 1992, proven and probable mineable reserves stood at 3,177,000 cubic yards grading 0.09 raw oz Au/yd³.

More than \$6.9 million was invested in the Valdez Creek Placer in 1992. These capital expenditures served mainly for the purchase of mining equipment and a second diversion of the Valdez Creek to maximize the mining of the placer. The diversion work began in November 1992 and was successfully completed in February 1993.

A production rate of 35,000 cubic yards per day and operating costs of US \$290 per ounce are expected in 1993. Cambior's share in the 1993 production from the Valdez Creek Placer should amount to over 65,000 ounces of gold.

A

 AMERICAN DEVELOPMENT PROJECT

Carlota Project



A drilling program conducted on the Carlota Project in 1992 supplemented existing proven and probable mineable reserves.

The Carlota copper project is located in the Globe-Miami region of east-central Arizona. Cambior has been the sole owner of the property since it acquired Westmont Mining in August 1991.

In 1992, an 18,700-foot drilling program was completed, increasing proven and probable mineable reserves to over 100 million tons grading 0.45% Cu. Various metallurgical and column leaching tests allowed the different types of ore to be characterized. Several production plans were evaluated, resulting in a schedule of seven million tons of ore to be mined each year from the three pits with an average stripping ratio of 2.1 tons of waste for each ton of ore. The ore will first be subjected to one or two crushing stages, depending on the type of ore. It will then be piled in heaps and the copper will be leached by a sulfuric acid solution. The copper-rich solution will be mixed with an organic solvent, which will absorb the dissolved copper, and the sulfuric acid solution will be returned to the ore heap. The organic solution transfers the copper to an electrolytic solution in a second stage. High grade copper cathodes will be recovered electrolytically as a final product. Average annual production is expected to be 30,000 tons of copper for the first 10 years of mining. Operating costs are estimated at US \$0.58/lb Cu.

Investment in the Carlota Project amounted to \$3.4 million in 1992 and will total more than \$6 million in 1993. The detailed engineering will be substantially completed during 1993. Assuming that the feasibility study is approved by Cambior's Board of Directors and all the required permits are in hand by the end of 1993, construction of the surface facilities should begin in early 1994. Commercial production would then commence in the first quarter of 1995. The capital expenditures required for construction and deposit development are estimated at US \$82 million.

E X P L O R A T I O N

Summary

A total of \$6,309,000 was spent on exploration in 1992, 31% less than in 1991. In Canada, resources were concentrated on seven projects in Northwestern Québec. Following the acquisitions of VSM Exploration and Audrey Resources, Cambior also conducted an evaluation of their exploration properties.

In the United States, exploration expenses of \$1,849,000 were distributed among the states of Idaho, Nevada and Arizona in 1992. In Latin America, 1992 exploration expenses amounted to \$1,591,000, including \$197,000 spent on four exploration permits held jointly with Golden Star Resources Ltd. in Guyana, \$644,000 on copper and gold properties in Mexico, \$436,000 in Chile and the balance on the assessment of numerous projects at various stages of exploration in other countries.

Outlook

In 1993, a total of \$8,304,000 will be allocated to surface exploration, a 32% increase over 1992 expenses. The Canadian exploration budget for 1993 will be \$1,825,000. Some 60% of the exploration budget will be spent on the search for gold deposits, and the remainder will be invested in base metal exploration.

In the United States, the Company plans to invest \$2,185,000 in surface exploration in 1993. Drilling programs will be conducted on the Suizo and Gold Basin properties in Arizona and the Black Kettle property in Nevada. The Company also intends to continue its search for gold deposits in Nevada and increase its commitments to copper exploration in Arizona and New Mexico.

In Latin America, nearly \$4 million will be invested in surface exploration, mainly on copper and gold projects in Mexico and Chile. Cambior has opened exploration offices in Hermosillo, Mexico and Santiago, Chile.

Canada

Approximately 75% of the 1992 exploration funding was allocated to the search for gold deposits, with 25% going to polymetallic exploration. Particular emphasis continues to be placed on the Flavrian and Philibert properties, for which drilling programs are planned for 1993.

The Flavrian property surrounds the Beauchemin Mine. Fifteen drill holes were executed in 1992. The best results yielded 11.7 feet at 0.28 oz Au/t and 13 feet at 0.12 oz Au/t.

The Philibert property is located southwest of Chibougamau, Québec. Thirteen holes were drilled in 1992 in the lesser-known areas of the property. Two holes intersected 0.08 oz Au/t over 38 feet and 17 feet in the east extension of the Philibert horizon.

E

XPLORATION

United States

The highlights of 1992 remain the acquisition of the Suizo copper oxide property and the Gold Basin gold property, both located in Arizona, and the results of work on the Black Kettle property in Nevada.

The Black Kettle property lies seven miles south of the town of Carlin, Nevada. Under the terms of an agreement with Sante Fe Pacific Mining Inc., Cambior has an option to earn a 50% interest in this property. Five reverse-circulation drill holes were completed, allowing the identification of a near-surface tabular hydrothermal system that constitutes a typical environment for gold deposits in the Carlin structure. Nearly 4,000 feet of drilling is planned for 1993.

Located 50 miles northeast of Kingman, Arizona, the Gold Basin property was the target of mapping and sampling in 1992, resulting in the identification of several gold anomalies. Some 3,000 feet of drilling will be completed on this property in 1993.

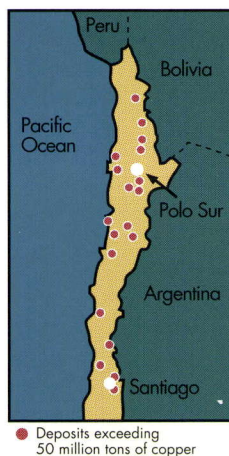
The Suizo property lies 25 miles northwest of Tucson, Arizona, and is characterized by copper oxide mineralization. The average copper grade of samples taken from outcrops on the property is 0.96%. In 1993, mapping, sampling, excavation of 5,000 feet of trenching and drilling are planned.

Guyana

Under the terms of the joint venture agreement, Cambior (60%) and its partner, Golden Star (40%), carried out work on four exploration permits: Aremu, Oko Mountain, Tamakay and Tikwah. Prospecting and trenching on the Aremu and Tikwah permits identified several gold-bearing zones that will be further assessed in 1993. The results on the other two permits were disappointing, and they have been dropped.

Chile

**Location
of the
Polo Sur
property**



In the past three years, Cambior has assessed over 450 projects in Chile. In 1992, the Company continued to aggressively search for copper and gold projects in Chile, and purchased the Polo Sur property. This property covers an area of more than 20 square miles 75 miles southeast of the Chuquicamata Mine. Previous work indicated the presence of a geological inventory of 60 million tons grading 0.43% copper. Prospecting, geological mapping and surface sampling have confirmed the property's copper potential. Prospecting and geophysics will continue in early 1993, followed by drilling.

E X P L O R A T I O N

Mexico

Agreements were negotiated in 1992 with partners to continue advanced exploration on the Metates property and the Suaqui Verde copper oxide project. An agreement was also signed with Cameco Corporation relating to the Oro Grande project in Northern Mexico.

The agreement with Corporacion Industrial San Luis S.A. of Mexico stipulates that Cambior may earn a 50% interest in the Metates gold property, which covers an area of over 18 square miles in the state of Durango. Four holes drilled by San Luis in a granodiorite intrusion indicate potential for a 50 to 110 million ton deposit grading 0.05 oz Au/t.

A first phase of 13,000 feet of drilling is planned for 1993 to test the dimension and grade of the main gold deposit, while prospecting and sampling will be conducted on other intrusions similar to the one associated with the deposit.

An agreement with The Arizona Copper Company grants Cambior the right to earn a 50% interest in the Suaqui Verde property in the state of Sonora. Previous drilling indicated the presence of a copper zone containing 15 million tons at 0.32% copper. In 1992, geological work and surface sampling resulted in the delineation of areas with good potential for a near-surface copper deposit. Some 7,000 feet of drilling is planned for 1993.

In 1992, Cambior signed an agreement with Cameco Corporation to set up a 50/50 joint venture to conduct gold and copper exploration in the states of Baja California, Sonora and Chihuahua. During the year, base data was compiled, several projects were assessed and targets were identified. This work will continue in 1993 under Cambior's guidance.

E NVIRONMENT

On November 6, 1992, the Company's Board of Directors approved the creation of a board committee of four directors responsible for the supervision of activities related to environmental management. At the same time, the board ratified the environmental protection policy developed by the Mining Association of Canada, which the Company adopted on May 7, 1990. By doing so, Cambior undertook to do the following:

- assess, plan, construct and operate its facilities in compliance with all applicable legislation;
- in the absence of applicable legislation, apply cost effective best management practices to protect the environment;
- maintain an active, ongoing self-monitoring program;
- foster research;
- work pro-actively with government and the public; and
- enhance communications and understanding with governments, employees and the public.

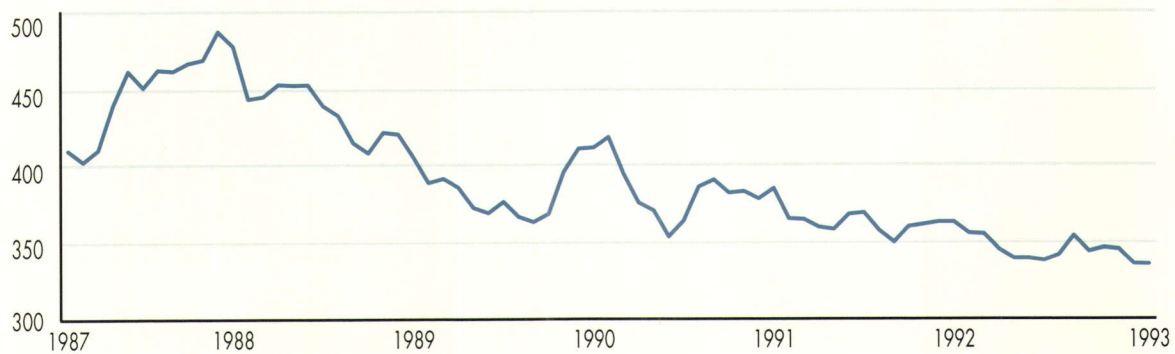
In addition to adopting an official policy, the Company fulfilled its commitments in 1992 by taking several substantial initiatives, including the following:

- implementation of an environmental audit program: active sites in Québec were inspected during the third quarter, allowing supervisors to improve control and management techniques;
- active involvement in a pilot project to implement the Industrial Waste Reduction Program instituted by the Québec government;
- reclamation of the old Solbec and Cupra mine sites (acquired through Sullivan Mines Inc. in 1987) in the Eastern Townships, Québec;
- contribution to the expansion of the Doyon Mine tailings pond, as well as to the operating costs for the high density sludge plant;
- construction of a settling pond at the Béliveau Concentrator;
- participation in the MEND (Mine Environment Neutral Drainage) program;
- development of a policy and procedures manual designed to improve the knowledge of the mine operators; and
- establishment of a planning program for site reclamation.

Cambior has thus demonstrated its firm desire to comply with the concept of sustainable development by using measures that harmonize the economic exploitation of natural resources with the preservation of the environment for future generations.

FINANCIAL SECTION

Gold price
US \$
monthly
average



Trading Information (1992), CBJ

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
Shares (Cdn \$)				
High	\$9.50	\$8.75	\$10.88	\$12.75
Low	7.00	7.13	8.38	9.73
Close	7.50	8.38	10.38	12.13
Volume - Montréal	664,991	1,585,689	2,527,396	1,483,324
Volume - Toronto	1,590,350	1,640,335	1,640,335	4,641,282

M

ANAGEMENT'S REPORT

The Management of the Company is responsible for the preparation of the consolidated financial statements and of the financial information included in this annual report.

Management maintains a system of internal control to produce reliable financial statements and to provide reasonable assurance that assets are safeguarded.

The consolidated financial statements are prepared in accordance with generally accepted accounting principles in Canada and necessarily include amounts based on estimates and judgments of Management.

Raymond, Chabot, Martin, Paré, chartered accountants, were appointed by the shareholders as external auditors of the Company. Their report, presented below, expresses an opinion on the consolidated financial statements.

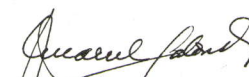
The Audit Committee meets on a quarterly basis with the external auditors, with and without Management being present, to review the financial statements and to discuss audit related matters. The members of the Committee are independent directors.

On the recommendation of the Audit Committee, the Board of Directors has approved the Company's consolidated financial statements.



President and Chief
Executive Officer

Montréal, Canada
February 18, 1993



Vice President
Control and Treasury

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UDITORS' REPORT

To the Shareholders of Cambior Inc.

We have audited the consolidated balance sheets of Cambior Inc. as at December 31, 1992 and 1991 and the consolidated statements of earnings, contributed surplus, retained earnings and changes in cash resources for each of the years in the three-year period ended December 31, 1992. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 1992 and 1991 and the results of its operations and the changes in its financial position for each of the years in the three-year period ended December 31, 1992 in accordance with generally accepted accounting principles in Canada.



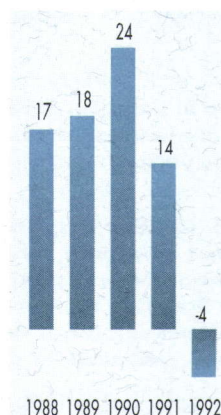
Chartered Accountants

Member firm of
Grant Thornton International

Montréal, Canada
February 18, 1993

MANAGEMENT'S DISCUSSION AND ANALYSIS

**Net earnings
(Net loss)**
(\$ millions)



In 1993, the Company expects to increase exploration spending to about \$8,300,000. Cambior will focus its efforts on North and South America, with particular emphasis on Chile and Mexico.

At the end of 1992, Cambior undertook a reevaluation of its mining assets and determined that a write-down of the accounting value of certain assets was required. Consequently, the book value of the Beauchemin Mine and the Valdez Creek Placer were reduced by \$8,102,000 and \$8,219,000 respectively. These write-downs are related to continued weakness in the gold price and the resulting decrease in mineable reserves.

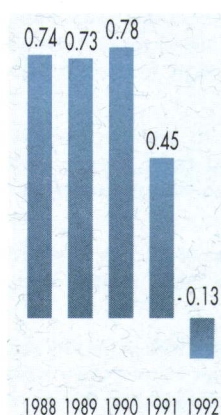
Benefiting from accumulated fiscal expenses that exceed the book value of its assets, Cambior is only required to pay the minimum tax on large corporations and the provincial capital tax. This is also expected to be the case in 1993.

Earnings

For the year ended December 31, 1992, Cambior posted a loss of \$4,391,000 or \$0.13 per share compared to net earnings of \$13,920,000 or \$0.45 per share in 1991 and \$23,991,000 or \$0.78 per share in 1990. The net loss for 1992 resulted from the \$16.3 million write-down of mining assets.

	Net earnings (Net loss) (\$ millions)	Earnings (Loss) per share (\$)	Average weighted shares outstanding
1992	(4)	(0.13)	33,703,812
1991	14	0.45	30,711,314
1990	24	0.78	30,660,868
1989	18	0.73	24,170,323
1988	17	0.74	23,493,890

**Earnings
(Loss) per share**
(\$)



C

ONSOLIDATED CONTRIBUTED SURPLUS

Years ended December 31
(in thousands of Canadian dollars)

	1992	1991	1990
	\$	\$	\$
Balance, beginning of year	105,658	105,658	99,034
Premium received on the issuance of common shares	26,307	—	6,624
Balance, end of year	131,965	105,658	105,658

C

ONSOLIDATED RETAINED EARNINGS

Years ended December 31
(in thousands of Canadian dollars)

	1992	1991	1990
	\$	\$	\$
Balance, beginning of year	87,544	77,924	57,925
Net earnings (Net loss)	(4,391)	13,920	23,991
	83,153	91,844	81,916
Dividends (\$0.14 in 1992, \$0.14 in 1991 and \$0.13 in 1990 per common share)	(4,686)	(4,300)	(3,992)
Common share issue expenses	(1,951)	—	—
Balance, end of year	76,516	87,544	77,924

The accompanying notes are an integral part of the consolidated financial statements.

CONSOLIDATED CHANGES IN CASH RESOURCES

Years ended December 31
(in thousands of Canadian dollars)

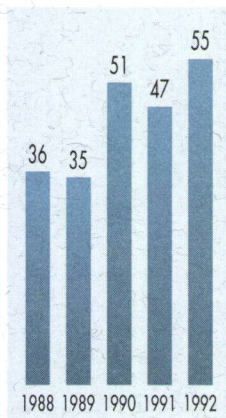
	1992 \$	1991 \$	1990 \$
OPERATING ACTIVITIES			
Net earnings (Net loss)	(4,391)	13,920	23,991
Non-cash items			
Depreciation and depletion	45,499	32,652	22,428
Write-down of mining assets	16,321	—	—
Loss on disposal of investments	—	412	—
Transfer of capitalized exploration costs to expenses	—	—	4,700
Deferred mining duties	(13)	(219)	(571)
Minority interest	(2,146)	—	—
Cash flow from operations	55,270	46,765	50,548
Changes in working capital items	(12,854)	2,707	(6,864)
Cash provided by operating activities	42,416	49,472	43,684
FINANCING ACTIVITIES			
Changes in accounts payable relating to the acquisition of fixed assets	509	(695)	9,680
Gold loans and other long term debt	108,875	35,321	8,222
Loan repayments	(3,760)	(11,030)	(26,524)
Unrealized gain - gold loan	13,738	519	—
Minority interest (Note 4)	9,408	12,763	—
Issuance of common shares (net of share issue expenses of \$1,951,000)	49,018	—	9,233
Dividends	(4,686)	(4,300)	(3,992)
Cash provided by (used in) financing activities	173,102	32,578	(3,381)
INVESTING ACTIVITIES			
Investments	67	1,994	5,720
Fixed assets	(175,523)	(88,908)	(32,670)
Acquisition of subsidiaries (Note 5)	(22,209)	(11,052)	—
Acquisition of interests in joint ventures (Note 6)	—	(6,997)	(26,253)
Credits for mining duties	—	(1,090)	—
Cash used in investing activities	(197,665)	(106,053)	(53,203)
Increase (decrease) in cash	17,853	(24,003)	(12,900)
Cash and short-term investments, beginning of year	48,409	72,412	85,312
Cash and short-term investments, end of year	66,262	48,409	72,412
Changes in working capital items			
Settlements receivable	(2,764)	8,197	(2,822)
Other accounts receivable and prepaid expenses	(5,985)	(1,743)	(4,469)
Supplies inventory	(12,202)	(268)	(761)
Accounts payable and accrued liabilities	8,097	(3,479)	1,188
	(12,854)	2,707	(6,864)

The accompanying notes are an integral part of the consolidated financial statements.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Changes in Cash Resources

**Cash flow
from operations**
(\$ millions)



Cash flow from operations totalled \$55,270,000 in 1992, up 18% from \$46,765,000 in 1991. The increase recorded in 1992 resulted from higher gold production. Per share cash flow from operations rose 8% to \$1.64 in 1992 from \$1.52 in 1991, taking into account the issuance of 6.2 million additional common shares. In 1991, cash flow from operations fell slightly relative to 1990 figures, which stood at \$50,548,000 or \$1.65 per share.

Cambior invested \$197,665,000 in 1992, of which over 72% was allocated to the construction of the Omai Mine complex. January 15, 1993 marked the beginning of thirty consecutive days that the Omai Mill operated at over 60% of its nominal capacity, and consequently the official start of commercial production. Cambior also pursued its growth objectives in other areas, notably with the acquisitions of subsidiaries Audrey Resources and VSM Exploration, including their principal assets, the polymetallic 1100 Lens and Grevet deposits.

The acquisition of control of Audrey Resources took place on September 29, 1992, when Cambior subscribed to 20,000,000 common shares at \$0.65 per share and entered into private transactions to purchase 3,776,038 additional common shares. Cambior now owns 65.35% of the share capital of Audrey Resources at a net acquisition cost of \$10.7 million, taking into account consolidated cash and the minority interest. Immediately following the takeover, an underground exploration and development program was initiated on the 1100 Lens in October 1992.

Cambior also acquired all the outstanding shares of VSM Exploration through two private transactions and a takeover bid during the second half of 1992, for a cost of \$11.8 million. Development work began on the Grevet property, VSM Exploration's main asset, in November 1992.

In 1991, Cambior invested a total of \$106,053,000. Nearly 60% of this total was allocated to the Omai project, with a further \$11 million invested in the acquisition of Westmont Mining and \$7 million in an additional interest in the Valdez Creek Placer.

On January 29, 1992, Cambior finalized a loan of 326,771 ounces of gold with a banking syndicate to finance 75% of the capital requirements for the construction of the Omai mining complex to a maximum of US \$120 million. A portion of the proceeds of this loan was used to repay an 86,000 ounce bridge loan contracted by the Company in 1991.

Cambior granted the lenders various securities to guarantee the gold loan, including a specific guarantee on its 50% undivided interest in the Doyon Mine and the establishment of a trust account with a minimum balance of US \$25,000,000 in negotiable short-term investments. These funds should be liberated by the end of the second quarter of 1993, when all the completion criteria for the Omai Mine will have been met. In 1992, the Company also obtained US \$5,000,000 through a capital lease on equipment. The balance of the funding required for the Omai Project was drawn from Cambior's own liquidities.

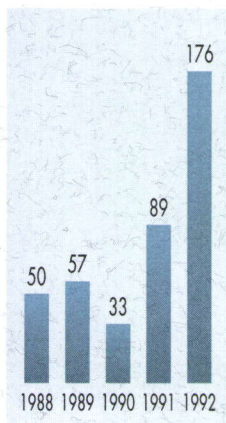
In June 1992, Cambior undertook a public offering of 5.5 million common shares priced at \$7.875 per share for a total consideration of \$43,312,500. An additional 665,443 common shares from Cambior's treasury were issued pursuant to the acquisitions of Audrey Resources and VSM Exploration. Net proceeds from the June offering were used to finance these acquisitions. Issue costs totalled \$1,951,000.

The \$9,408,000 minority interest shown in the statement of changes in cash resources corresponds mostly to the value of net assets held by the other shareholders of Audrey Resources at the time of acquisition. In 1991, minority interest amounted to \$12,763,000 and included only the value of the net assets of OMAI Gold Mines Limited held by Golden Star and the State of Guyana.

In 1992, Cambior paid out \$4,686,000 or \$0.14 per share in dividends compared to \$4,300,000 or \$0.14 per share in 1991 and \$3,992,000 or \$0.13 per share in 1990.

At December 31, 1992, cash and short-term investments stood at \$66,262,000 compared to \$48,409,000 in 1991 and \$72,412,000 in 1990.

**Capital
expenditures**
(\$ millions)




CONSOLIDATED BALANCE SHEETS


As at December 31
(in thousands of Canadian dollars)

	1992	1991
	\$	\$
ASSETS		
Current assets		
Cash and short-term investments	66,262	48,409
Settlements receivable	11,309	8,545
Other accounts receivable and prepaid expenses	24,822	15,479
Supplies inventory	20,770	7,534
	123,163	79,967
Investments (Note 10)	1,096	3,801
Fixed assets (Note 11)	468,659	310,268
Income tax benefit	10,134	10,134
	603,052	404,170
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	35,188	24,158
Current portion of long-term debt (Note 12)	23,791	3,430
	58,979	27,588
Long-term debt (Note 12)	135,452	35,407
Unrealized gain - gold loan	14,257	519
Deferred mining duties	14,326	11,765
Minority interest (Note 4)	20,312	12,763
	243,326	88,042
SHAREHOLDERS' EQUITY		
Capital stock (Note 13)	147,507	122,845
Contributed surplus	131,965	105,658
Retained earnings	76,516	87,544
Translation adjustment (Note 14)	3,738	81
	359,726	316,128
	603,052	404,170

The accompanying notes are an integral part of the consolidated financial statements.

On behalf of the Board,

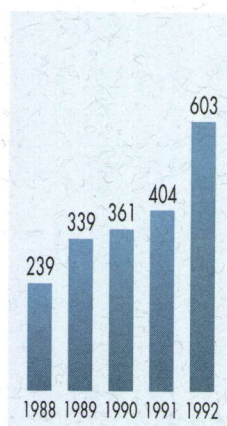

Director


Director

MANAGEMENT'S DISCUSSION AND ANALYSIS

Balance Sheets

Total assets
(\$ millions)



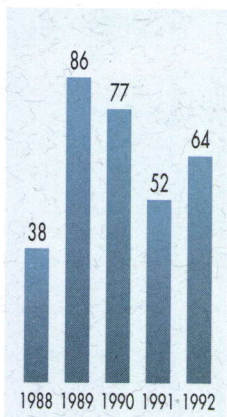
The Company's total assets amounted to \$603,052,000 at December 31, 1992, nearly 50% higher than total assets of \$404,170,000 a year earlier. This substantial increase resulted from the large investments required by the Omai Mine construction and the takeovers of Audrey Resources and VSM Exploration.

Working capital rose in 1992 due to the influx of net proceeds from the common share public offering. At December 31, 1992, working capital stood at \$64,184,000 compared to \$52,379,000 in 1991.

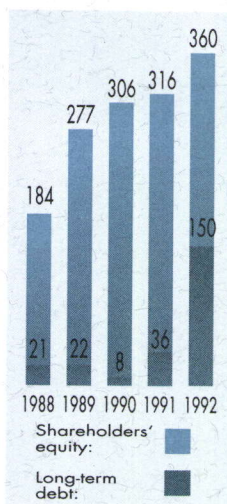
Long-term debt including the unrealized gain from the gold loan totalled \$149,709,000 at the end of 1992. The unrealized gain of \$14,257,000 from the gold loan reflects the difference between the market price of gold as at December 31, 1992 and the price received by Cambior when the loan is converted into dollars. The level of debt is higher than in 1991, when long-term debt totalled \$35,926,000, due to Omai Project financing received from a banking syndicate. The debt-to-equity ratio stood at 42% at December 31, 1992 compared to 11% a year earlier.

Shareholders' equity climbed 14% to \$359,726,000 in 1992 compared to \$316,128,000 in 1991. However, shareholders' equity per share fell in 1992 to \$9.75, down from \$10.29 in 1991 due to the issuance of additional common shares in 1992. A sum of \$3,738,000 was recorded in 1992 to account for exchange rate variations in the net assets of the subsidiary OMAI Gold Mines Limited; the comparable amount recorded for 1991 was \$81,000.

Working capital
(\$ millions)



Financial structure
(\$ millions)



MANAGEMENT'S DISCUSSION AND ANALYSIS

Outlook

As at February 18, 1993, Cambior held contracts on the futures markets for sales totalling 545,000 ounces of gold at an average price of US \$377 per ounce. Over 70% of the 1993 gold production will be delivered at an average minimum price of US \$362 per ounce against forward sales and gold loans.

While the Company's financial position is closely linked to gold prices, Cambior has no control over fluctuations in these prices.

Repayment of the gold loan borrowed to finance the Omai Project construction will begin on December 31, 1993 and will continue on a quarterly basis until December 31, 1998.

On September 30, 1993, Cambior's subsidiary, Audrey Resources, must repay a US \$9,072,000 bank loan plus interest accrued since April 1, 1992.

The Company has also entered into contracts on the currency markets for US \$299,179,000 to be converted into Canadian dollars over the next five years at annual average exchange rates of between 1.2732 and 1.3505.

The Company expects to pursue its growth objectives with the commencement of commercial production at the Omai Mine and the development of the Carlota and Grevet Projects, as well as the 1100 Lens Project, through subsidiary Audrey Resources. In 1993, these three projects and the Sleeping Giant Mine will require investments of \$35 million. In 1993, our Canadian operations will maintain the same production level as in 1992 despite the closing of the Beauchemin and Béliveau mines, planned for the last quarter of 1993. Management of the Doyon Mine is presently negotiating the renewal of the hourly employees' collective agreement as well as the first collective agreement with the junior staff.

The Omai Mine will generate nearly 280,000 ounces of gold in 1993 and will enable the Company to reduce its average production cost. OMAI Gold Mines Limited is currently negotiating an initial collective agreement with its employees; nearly 700 new jobs were created in Guyana in 1992 with the construction of this mining complex. Cambior maintains good relations with members of the new Guyanese government, elected October 5, 1992. The Company plans to pursue its activities in Guyana by undertaking various exploration programs.

It should be noted that Cambior has foreign investment insurance from the Export Development Corporation, a Canadian crown corporation, relating to the Omai Mine. The insurance policy covers Cambior's investment against certain political risks, to a maximum of US \$163,000,000.

In 1993, work on the Carlota Project will consist of preparing detailed engineering drawings and obtaining the required environmental permits. Operating activities should commence during the first quarter of 1995 after a one-year construction period.

The Grevet Project will undergo construction of the surface infrastructures, shaft sinking, underground development and drilling. The program should be completed during the first quarter of 1994 with the preparation of a feasibility study.

Shaft sinking, underground development and a drilling program at depth on the 1100 Lens Project is expected to be completed in early 1994. This work will allow partners Audrey Resources and Minnova to evaluate the mineable reserves at depth and complete a feasibility study by the first quarter of 1994.

Cambior expects to produce over 620,000 ounces of gold in 1993, 75% more than in 1992, due to the commencement of commercial production at the Omai Mine.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Amounts in the tables are presented in thousands of Canadian dollars)

1. INCORPORATION AND NATURE OF OPERATIONS

Cambior Inc. ("Cambior"), incorporated under Part IA of the Companies Act (Québec), is engaged in mining and in exploration and development of mining properties, principally gold, located in Canada, the United States and Latin America.

2. ACCOUNTING POLICIES

The consolidated financial statements are prepared in accordance with generally accepted accounting principles in Canada and comply in all material respects with generally accepted accounting principles in the United States, except as described in Note 19. The principal accounting policies followed by the Company are as follows:

Principles of consolidation

The consolidated financial statements include the accounts of the Company and of its subsidiaries. The Company's share in joint ventures are accounted for using the proportionate consolidation method.

Income recognition and settlements receivable

The Company recognizes income from metals when they have been extracted and processed at the on-site mill facilities. Settlements receivable are comprised of gold, gold concentrate and niobium concentrate inventories, including inventories in transit, and are recorded at estimated net realizable value.

Supplies inventory valuation

The supplies inventory is valued at the lower of average cost and replacement cost.

Investments

Short-term investments are recorded at cost which is equivalent to market value.

The gold loan is converted at market value at year-end.

The loan to a company and investments in shares of public companies are accounted for at cost.

Fixed assets

Fixed assets are accounted for at cost. The depreciation and depletion of mining properties, development expenses and buildings and equipment relating to mines are based on the units of production method over the estimated economic life of the related deposit. If the anticipated useful life of the fixed assets is less than the life of the mine, depreciation is based on their anticipated useful life.

Other fixed assets are depreciated under the straight-line method according to their anticipated useful lives.

Construction in progress includes interest and financing costs on funds borrowed. These costs are capitalized until the end of the construction period. Depreciation of capitalized construction costs will start upon commencement of commercial production of the ore deposit.

Exploration expenses incurred to the date of establishing that a property has reserves which have the potential of being economically recoverable are charged against earnings; exploration and development expenses incurred subsequent to this date are recorded as fixed assets.

Gold loans

Gold loans are classified as debt and are converted at market value at year-end. Unrealized net gains and losses are deferred and recognized in earnings in the periods in which repayments are scheduled to be made.

Foreign currency translation

Assets and liabilities of OMAI Gold Mines Limited, a self-sustaining foreign subsidiary, are translated in Canadian dollars at the exchange rate prevailing at year end. Translation adjustments arising from changes in exchange rates are deferred and shown as a separate component of shareholders' equity.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Amounts in the tables are presented in thousands of Canadian dollars)

2. ACCOUNTING POLICIES (Continued)

Foreign currency translation (Continued)

Other monetary assets and liabilities in foreign currencies are translated at the exchange rate in effect at the balance sheet date, whereas other non-monetary assets and liabilities in foreign currencies are translated at the exchange rate in effect at the transaction date. Revenue and expenses in foreign currencies are translated at the average rate in effect during the year, with the exception of depreciation and depletion, which are translated at the historical rate. Gains and losses are recorded in earnings for the year.

Exchange gains and losses related to long-term debt are amortized over the period of the scheduled reimbursements.

Earnings (loss) per share

Earnings (loss) per share is calculated over the weighted average number of shares outstanding during the year.

3. OMAI GOLD MINES LIMITED

OMAI Gold Mines Limited ("OMAI Gold"), a 60% owned subsidiary of Cambior, was incorporated in August 1991 to develop and operate the Omai Mine located in Guyana, South America. The remaining shares of OMAI Gold are held by Golden Star Resources Ltd. (35%) and the Government of Guyana (5%).

On August 16, 1991, OMAI Gold entered into an agreement with each of its shareholders and the Guyana Geology and Mines Commission, which purpose is to define business conditions for the development and operation of the Omai Mine. Cambior is responsible for the management of operations and has obtained all of the required financing for the development and construction of the Omai Mine.

On January 29, 1992, Cambior granted a gold loan to OMAI Gold, guaranteed by the assets of OMAI Gold, from the proceeds of a loan of 326,771 ounces of gold. This loan, supplemented by Cambior's contribution from its own liquidities, provided the total financing for the development and construction costs of the Omai Mine.

Start of commercial production

On January 15, 1993, the mining activities of OMAI Gold reached the production level required to attain the commercial production phase. From this date, revenues and operating and financing expenses, including depreciation and depletion, will be charged to earnings.

Investment insurance

Cambior has obtained a foreign investment insurance coverage from the Export Development Corporation ("EDC") in connection with the Omai Mine. Under the terms of the policy, EDC has agreed to cover Cambior for 90% of any loss resulting from the occurrence of specified events of political risk in relation to the mine operations, including war, expropriation and currency transfer restrictions. The policy covers the mine costs to a maximum of US \$163,000,000.

Purchase options

Cambior holds two purchase options for additional shares of OMAI Gold held by Golden Star Resources Ltd. These options enable Cambior to increase its interest in OMAI Gold from 60 to 70%.

The first option of 5% may be exercised at a price of \$2,000,000 and the second option of 5% at a price based on net expected cash flows.

The first option may be exercised until April 14, 1993 and the second option may be exercised at the latest, thirty days after the receipt of an evaluation of net cash flows.

Commitment

Production from the Omai property is subject to a 5% royalty, payable in kind to the Government of Guyana.

4. MINORITY INTEREST

Minority interest consists of common shares and preferred shares held by Golden Star Resources Ltd. and the Government of Guyana in OMAI Gold Mines Limited and publicly-held common shares of Audrey Resources Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Amounts in the tables are presented in thousands of Canadian dollars)

5. ACQUISITION OF SUBSIDIARIES

a) Audrey Resources Inc.

On September 29, 1992, Cambior subscribed to 20,000,000 common shares of Audrey Resources Inc. ("Audrey") at a price of \$0.65 per share, for a total consideration of \$13,000,000. On that same date, Cambior further increased its stake in Audrey through private transactions by purchasing an additional 3,776,038 common shares of Audrey for a total amount of \$2,454,000 including the issuance of 26,968 common shares of its capital stock for an amount of \$282,000. Following these transactions, Cambior's holding of the outstanding shares of Audrey amounts to 65.35%.

Audrey holds an undivided interest of 50% in the 1100 Lens Project on the Mobrun mining property, located near Rouyn-Noranda, Québec. Audrey is also the sole owner of the existing surface facilities on the Mobrun property, which includes a processing plant, a headframe and other service installations.

b) VSM Exploration Inc.

During 1992, Cambior acquired all of the outstanding shares of VSM Exploration Inc. ("VSM") as follows:

- i) on July 3, 1992 and on September 3, 1992, Cambior acquired a total of 10,823,050 common shares of VSM for a cash consideration of \$3,276,000;
- ii) following an offer made on November 27, 1992, Cambior subsequently acquired all of the remaining outstanding shares of VSM. A total of 11,625,184 common shares of VSM were acquired for a cash consideration of \$763,000 and the issuance of 638,475 common shares of its capital stock for an amount of \$7,374,000.

The main asset of VSM consists of a 50% interest in the Grevet Project, located in the north-western portion of Québec. Since October 1992, the Company has been conducting required development work to increase its interest in the Grevet Project to 70% by investing a total amount of \$15,000,000.

c) Carlota Copper Company (formerly Westmont Mining Inc.)

On August 13, 1991, Cambior acquired all of the outstanding shares of Westmont Mining Inc. for US \$10,000,000. The purchase agreement also stipulates that an additional amount of US \$5,000,000 will become payable 30 days following the first commercial sale of copper produced by the Carlota property.

The assets, liabilities and earnings relating to these acquisitions have been consolidated according to the purchase method from the date of acquisition. Net assets acquired are as follows:

	1992 \$	1991 \$
Net assets acquired		
Working capital, including cash items of \$330,000 (\$48,000 in 1991)	(15,631)	(562)
Fixed assets	41,031	11,670
Long-term debt	—	(8)
Minority interest	(287)	—
Deferred mining duties	(2,574)	—
	<u>22,539</u>	<u>11,100</u>
Purchase consideration		
Price paid	14,635	11,100
Minority interest	7,904	—
	<u>22,539</u>	<u>11,100</u>
Cost of acquisition excluding cash items	<u>22,209</u>	<u>11,052</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Amounts in the tables are presented in thousands of Canadian dollars)

6. ACQUISITION OF INTERESTS IN JOINT VENTURES

On January 1, 1991, Cambior acquired an additional interest of 26% in the Valdez Creek Placer.

In 1990, Cambior acquired additional interests of 50% in the Chimo Mine, 23.125% in the Valdez Creek Placer and 20% in the Silidor Mine.

Net assets acquired and earnings have been accounted for by the purchase method from the date of the acquisition of the additional interests.

The following table outlines the details of the acquisitions:

	1992 \$	1991 \$	1990 \$
Net assets acquired			
Working capital, including cash of \$153,000 in 1991 and \$555,000 in 1990		30	305
Fixed assets		7,148	26,503
Long-term debt		(28)	—
	—	7,150	26,808
Purchase consideration			
Net cash		3,646	4,558
Cancellation of gold loan		3,504	12,570
Amount payable (paid on January 17, 1991)		—	9,680
	—	7,150	26,808
Cost of acquisition excluding cash	—	6,997	26,253

7. WRITE-DOWN OF MINING ASSETS

At year-end, the Company reevaluated all of its mining assets and determined that a write-down of the carrying value of certain assets was required. An amount of \$8,102,000 relating to the Beauchemin Mine and \$8,219,000 relating to the Valdez Creek Placer were charged to earnings during the year as a write-down of mining assets.

8. OTHER EXPENSES

The other expenses in 1990 include an amount of \$4,700,000 relating to a transfer of capitalized exploration costs to expenses, a gain of \$3,680,000 on the cancellation of a custom milling agreement, a gain of \$1,075,000 on the sale of an exploration property and an amount of \$535,000 relating to various expenses.

9. MINING DUTIES AND INCOME TAXES

Mining duties and income taxes are as follows:

	1992 \$	1991 \$	1990 \$
Current mining duties	(976)	—	—
Deferred mining duties ^(a)	(13)	(219)	(353)
Income taxes			
Tax on large corporations	679	473	420
Other income taxes ^(b)	—	—	—
	(310)	254	67

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Amounts in the tables are presented in thousands of Canadian dollars)

9. MINING DUTIES AND INCOME TAXES (Continued)

(a) Deferred mining duties

The actual mining tax rate on the Company's earnings from mining resources differs from the statutory rate as follows:

	1992 %	1991 %	1990 %
Québec basic statutory rate	18.0	18.0	18.0
Processing and investment allowances	(7.8)	(7.8)	(7.8)
Portion of non-deductible expenses and earnings not subject to mining duties	(24.3)	(11.7)	(11.6)
Actual rate	(14.1)	(1.5)	(1.4)

(b) Other income taxes

The transfer in 1986 of net assets from Soquem, a provincial Crown Corporation, was carried out pursuant to a tax rollover providing for their acquisition at market value for income tax purposes, thus resulting in the creation of permanent differences. The Company claims, for income tax purposes, deductions in excess of depreciation. Such excess reduces the permanent differences. During the year, the Company did not claim any of these deductions to eliminate taxable income (an amount of \$12,000,000 was claimed in 1991 and \$16,000,000 in 1990). As at December 31, 1992, the permanent difference available for income tax purposes amounts to \$22,000,000.

10. INVESTMENTS

	1992 \$	1991 \$
Gold loan of 8,400 ounces, at market value, at a variable interest rate (2.95% on December 31, 1992 and 2.23% on December 31, 1991), maturing in January 1993	3,554	3,428
Loan of \$2,000,000 to Golden Star Resources Ltd., bearing interest at a rate of 8% and maturing in February 1993	2,000	2,000
Shares of public companies and others (market value of \$1,032,000 as at December 31, 1992; \$925,000 as at December 31, 1991)	1,363	1,556
	6,917	6,984
Current portion included in other accounts receivable	5,821	3,183
	1,096	3,801

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Amounts in the tables are presented in thousands of Canadian dollars)

11. FIXED ASSETS

	1992			1991		
	Cost \$	Accumulated depreciation and depletion \$	Net \$	Cost \$	Accumulated depreciation and depletion \$	Net \$
Mining properties	30,887	12,767	18,120	30,792	7,822	22,970
Development expenses	155,323	80,863	74,460	144,021	42,378	103,473
Land, buildings and equipment relating to mines	143,979	52,473	91,506	139,888	38,144	101,744
Other fixed assets	5,967	2,511	3,456	5,938	2,226	1,882
	336,156	148,614	187,542	320,639	90,570	230,069
Construction in progress	251,970		251,970	68,654		68,654
Mining projects under development	29,147		29,147	11,545		11,545
	617,273	148,614	468,659	400,838	90,570	310,268

Included in construction in progress as at December 31, 1992 are assets under capital lease amounting to \$5,894,000 and capitalized interest in the amount of \$2,531,000 (\$160,000 in 1991).

12. LONG-TERM DEBT

	Current portion of long-term debt \$	1992 \$	1991 \$
Gold loan of 326,771 ounces (86,000 ounces as at December 31, 1991), at market value, at the gold base rate plus 1.10% (2.21% on December 31, 1992 and 1.8% on December 31, 1991) ^(a)	7,949	138,251	35,094
Gold loan of 8,400 ounces through a revolving term credit facility, at market value, at a variable interest rate (1.95% on December 31, 1992 and 1.23% on December 31, 1991), maturing at the latest on June 1, 1995	3,554	3,554	3,428
Bank loan of US \$9,072,000, at the London Interbank Offering Rate (LIBOR) plus 1.75% (7.25% on December 31, 1992), payable in full on September 30, 1993 including accumulated interest	11,532	11,532	—
Obligation under a capital lease, in US funds, bearing interest at a rate of 7.3%, repayable in semi-annual instalments until January 5, 1999	735	5,831	—
Others	21	75	315
	23,791	159,243	38,837
Current portion of long-term debt		23,791	3,430
		135,452	35,407

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Amounts in the tables are presented in thousands of Canadian dollars)

12. LONG-TERM DEBT (Continued)

The anticipated reimbursements of the long-term debt for the coming years are \$23,791,000 in 1993, \$32,935,000 in 1994, \$31,211,000 in 1995, \$25,997,000 in 1996 and \$25,997,000 in 1997 and include interest payments of \$1,371,000 relating to the capital lease.

Interest on long-term debt amounted to \$2,233,000 in 1992, \$345,000 in 1991 and \$312,000 in 1990.

(a) On January 29, 1992 Cambior entered into an agreement with a banking syndicate for a loan of 326,771 ounces of gold to finance up to 75% of construction costs of the Omai Mine. A portion of the gold loan was used to reimburse the bridge gold loan facility of 86,000 ounces of gold contracted by Cambior in 1991.

The repayments of the gold loan will be made on a quarterly basis starting on December 31, 1993, in eight equal instalments of 5.75% of the gold loan and twelve other equal instalments of 4.5% each. Repayments of the gold loan may be accelerated if production and/or cash flow exceeds forecasted levels for any one year.

Cambior has provided the following forms of security for the reimbursement of the gold loan: a) a reserve account in the amount of US \$25,000,000 in negotiable instruments, to be maintained until all completion tests relating to the construction of the mine have been met, to occur no later than December 31, 1993, b) its interest in the Doyon Mine, c) the amount receivable by Cambior as a result of the gold loan granted to OMAI Gold and d) the eventual proceeds from the investment insurance policy.

Cambior has also agreed to respect various covenants relating to future indebtedness, acquisitions of fixed assets and investments and financial ratios.

13. CAPITAL STOCK

Authorized

Unlimited number of shares

Voting common shares with a par value of \$4;

Class I preferred shares, issuable in one or several series with rights, privileges, restrictions and conditions to be determined by the Board of Directors.

	1992		1991		1990	
	Number of common shares	Amount \$	Number of common shares	Amount \$	Number of common shares	Amount \$
Issued and fully paid						
Balance, beginning of year	30,711,314	122,845	30,711,314	122,845	29,959,951	119,840
Issued pursuant to a public offering ^(a)	5,500,000	22,000	—	—	—	—
Issued following the acquisition of interests in subsidiaries (Note 5) ^(a)	665,443	2,662	—	—	—	—
Flow-through shares issued ^(b)	—	—	—	—	137,256	549
Issued following the exercise of stock purchase warrants ^(a)	—	—	—	—	608,107	2,432
Issued following the exercise of share purchase options granted to certain officers ^(a)	—	—	—	—	6,000	24
	6,165,443	24,662	—	—	751,363	3,005
Balance end of year	36,876,757	147,507	30,711,314	122,845	30,711,314	122,845

^(a) These shares were issued for cash and the difference between the amounts received and the par value of \$4 per share was credited to consolidated contributed surplus.

^(b) These shares were issued for cash; the difference between the amounts received and the market value, which amounted to \$864,000 in 1990 has been accounted for as a reduction of exploration expenses; the difference between the market value and the par value of \$4 per share was credited to consolidated contributed surplus.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Amounts in the tables are presented in thousands of Canadian dollars)

13. CAPITAL STOCK (Continued)

Outstanding share purchase options

	1992	1991	1990
Number of outstanding share purchase options	261,000	164,000	311,000
Average exercise price	\$9.77	\$11.31	\$13.27

14. TRANSLATION ADJUSTMENT

This account reflects the difference in the net assets of the subsidiary, OMAI Gold Mines Limited, valued at the exchange rate in effect at each balance sheet date and the exchange rate in effect at the acquisition dates.

15. COMMITMENTS AND CONTINGENCY

a) Commitments - gold sales:

In addition to the commitments related to the gold loans outlined in Note 12, the following is Cambior's hedging program:

	1993	1994	1995	1996 and beyond
Forward sales				
Spot deferred (in 000 ounces of gold)	421	—	—	—
Average price (US\$/ounce)	355	—	—	—
Fixed (in 000 ounces of gold)	28	12	12	72
Average price (US\$/ounce)	465	474	491	439
Sale/Purchase of options				
Number of ounces-Put options purchased (in 000 ounces of gold)	86	108	—	—
Number of ounces-Call options sold (in 000 ounces of gold)	43	54	—	—
Average price (US\$/ounce)	343	355	—	—

b) Commitments relating to foreign exchange contracts:

The company has entered into foreign exchange contracts as follows:

Maturity date	Amount (in 000 \$ of US dollars)	Average exchange rate (in Cdn-\$)
1993	43,027	1.2732
1994	64,691	1.2895
1995	65,897	1.3081
1996	62,506	1.3174
1997	63,058	1.3505
	299,179	1.3099

c) Oil swap agreements:

During the year, the Company entered into oil swap agreements to hedge the cost of oil to be used for the operations of the Omai Mine. These agreements, maturing in 1993 and 1994, call for the settlement of 14,886,000 gallons of oil at an average price of \$US 0.56 per gallon.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Amounts in the tables are presented in thousands of Canadian dollars)

15. COMMITMENTS AND CONTINGENCY (Continued)

d) Royalties:

Production from some mining properties is subject to royalties based on various methods of calculation.

e) Commitments relating to mining properties:

The Company, in the normal course of its operations, is committed to performing various exploration work on its mining properties.

f) Mining duties:

The Company received, in February 1993, a notice of reassessment for mining duties relating to the year ended December 31, 1986. In management's opinion and that of its legal advisors, this notice is not justified; the Company intends to oppose this notice and use every available recourse.

Management believes that these procedures will not have a material adverse affect on the financial position of the Company, its future results of operations, or its future cash flows.

16. JOINT VENTURES

The following accounts represent Cambior's proportionate interest in the following joint ventures: Doyon Mine, Niobec Mine, Silidor Mine, Grevet Project and Valdez Creek Placer.

	1992 \$	1991 \$	1990 \$
Assets	153,749	148,042	148,779
Liabilities	9,660	5,798	6,351
Revenue	116,984	103,112	85,414
Expenses	103,973	84,939	56,265

17. PENSION PLANS

The Company currently has three pension plans which cover substantially all of its employees. Two of these plans are defined contribution pension plans and the third plan is a defined benefit pension plan. During 1992, the method of calculating the benefits relating to the defined benefit pension plan was improved.

The assumptions underlying the defined benefit pension plan calculations include a discount rate of 7%, a salary increase rate of 6% and a long-term return on pension fund assets of 7%. The net pension plan liability established as at January 1, 1992 and adjusted to reflect the improvement in the calculation of benefits amounted to \$158,000. The market value of the pension plan assets amounts to \$1,308,000 as at December 31, 1992 (\$1,064,000 as at December 31, 1991) whereas the actuarial present value of accrued pension benefits amounts to \$1,540,000 (\$869,000 as at December 31, 1991).

The total pension expense is \$746,000 (\$539,000 in 1991 and \$466,000 in 1990).

18. SEGMENTED INFORMATION

Cambior's activities consist principally of the exploration, development, mining and processing of precious metals. Operations for 1992 and 1991 were located in North America and Guyana and in 1990 were principally in North America.

In 1992 and 1991, all of Cambior's revenues were generated in North America. Most of the Company's assets are located in North America except for those assets relating to the Omai Mine, which totalled \$224,306,000 as at December 31, 1992 (\$65,629,000 as at December 31, 1991).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Amounts in the tables are presented in thousands of Canadian dollars)

19. GENERALLY ACCEPTED ACCOUNTING PRINCIPLES IN CANADA AND THE UNITED STATES

The consolidated financial statements have been prepared in accordance with generally accepted accounting principles ("GAAP") in Canada, which, in the case of the Company, comply in all material aspects with those in the United States, except as follows:

- i) Under GAAP in the United States, gains or losses from the translation of long-term monetary items are included in earnings or capitalized to fixed assets. In Canada, such gains or losses are deferred and amortized over the terms of the loans;
- ii) Under GAAP in the United States, long-term investments in shares of public companies are carried at the lower of cost or market value. Changes in the market value of investments are included directly in shareholders' equity;
- iii) Share issue expenses are shown as a reduction from retained earnings as provided under GAAP in Canada. Under GAAP in the United States, these expenses are shown as a reduction from capital stock;
- iv) The Company has issued during the year 665,443 shares of its capital stock as consideration for the purchase of shares of VSM Exploration Inc. and Audrey Resources Inc. in the amount of \$7,656,000. This amount was shown in the consolidated statement of changes in cash resources as part of financing and investment activities. Under GAAP in the United States, these non-cash transactions would not have been shown in the consolidated statement of cash resources;
- v) The Financial Accounting Standards Board issued statement number 109 (SFAS 109) concerning accounting for income taxes. Its adoption for United States GAAP reporting purposes is required for fiscal years beginning after December 15, 1992. The Company has not yet determined the impact of this new standard on its financial statements.

If Cambior had followed GAAP in the United States, earnings would have been identical to the Company's earnings under GAAP in Canada, for each of the years in the three-year period ended December 31, 1992 and certain items on the balance sheets would have been shown as follows:

	1992 \$	1991 \$
Investments	765	3,170
Fixed assets	464,260	310,405
Long-term debt	145,310	36,063
Unrealized gain - gold loan	—	—
Capital stock	135,634	112,923
Retained earnings	88,389	97,466
Changes in market value of investments	331	631

QUARTERLY RESULTS (1992 — unaudited)

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
Results (in thousands of Canadian dollars)				
Total revenue	\$43,854	\$52,153	\$46,745	\$44,501
Mine operating costs	27,477	30,236	30,232	30,337
Depreciation and depletion	9,561	12,542	11,748	11,648
Exploration expenses	1,190	1,812	1,556	1,751
Cash flow from operations	13,502	17,823	13,489	10,456
Net earnings (net loss)	3,899	5,176	2,027	(15,493)
Per share (dollars)				
Earnings (loss)	\$0.13	\$0.16	\$0.06	\$(0.48)
Cash flow from operations	0.44	0.56	0.37	0.27
Dividends	—	0.07	—	0.07
Production				
Production (ounces of gold)	82,652	98,013	88,647	84,986
Mine operating costs (Cdn \$/oz) ¹	\$299	\$279	\$307	\$326
Depreciation and depletion (Cdn \$/oz) ¹	\$111	\$124	\$127	\$129
Total cost (Cdn \$/oz) ¹⁻²	\$410	\$403	\$434	\$455
Selling price (Cdn \$/oz)	\$484	\$490	\$474	\$488

¹ For producing mines only

² Before royalties, exploration expenses and corporate expenses

PRODUCTION STATISTICS

GOLD Mines	Cambior's interest	Mineable reserves (Cambior's share)	December 31, 1992			December 31, 1991		
			Tons (000)	Grade (oz Au/t)	Ounces contained (000)	Tons (000)	Grade (oz Au/t)	Ounces contained (000)
Doyon (Québec)	50%	Proven	2,542	0.19	477.0	2,608	0.21	542.8
		Probable	2,971	0.18	530.0	3,036	0.18	540.9
		Low-grade stockpiles	112	0.07	7.8	184	0.07	12.9
			5,625	0.18	1,015.8	5,828	0.19	1,096.6
Beauchemin (Québec)	100%	Proven	80	0.17	13.8	208	0.19	39.3
		Probable	46	0.16	7.6	391	0.16	64.0
			126	0.17	21.4	599	0.17	103.3
Silidor (Québec)	45%	Proven	218	0.17	37.2	161	0.16	25.4
		Probable ¹	1,066	0.15	158.9	1,686	0.16	261.6
			1,284	0.15	196.1	1,847	0.16	287.0
Mouska (Québec)	100%	Proven	210	0.22	47.2	224	0.21	48.2
		Probable	202	0.19	38.3	314	0.17	53.8
			412	0.21	85.5	538	0.19	102.2
Béliveau (Québec)	100%	Proven	529	0.08	43.7	999	0.08	82.2
Chimo (Québec)	100%	Proven	320	0.15	47.3	420	0.16	66.2
		Probable	792	0.15	116.2	600	0.14	81.6
			1,112	0.15	163.5	1,020	0.15	147.8
Sleeping Giant (Québec)	50%	Proven	71	0.22	15.7			
		Probable	158	0.22	34.3			
			229	0.22	50.0			
Valdez Creek ² (Alaska)	75%	Proven	2,145	0.09	186.6	1,651	0.10	162.8
		Probable	238	0.07	16.2	1,107	0.10	109.1
			2,383	0.09	202.8	2,758	0.10	271.9
Omai (Guyana)	100%	Proven and probable	48,810	0.05	2,268	44,758	0.05	2,132
Total					4,047			4,223
MINERALS AND BASE METALS	Cambior's interest	Mineable reserves (Cambior's share)	Tons (000)	Grade	Metals Minerals	Tons (000)	Grade	Metals Minerals
Niobec (Québec)	50%	Proven	4,026	0.66%	Nb ₂ O ₅	4,026	0.66%	Nb ₂ O ₅
		Probable	1,637	0.65%		1,637	0.65%	
			5,663	0.66%		5,663	0.66%	
1100 Lens (Québec)	50%	Probable	4,189	4.35% 0.69% 0.95 oz/t 0.03 oz/t	zinc copper silver gold			
Grevet (Québec)	70% ³	Probable	8,168	8.55% 0.48% 1.07 oz/t	zinc copper silver			
Carlota (Arizona)	100%	Proven and probable	100,000	0.45%	copper			

¹ Including possible reserves in 1991² Units: 1,000 yd³, raw oz Au/yd³³ Taking into account an option to acquire an additional 20% interest⁴ Doyon low-grade stockpiles⁵ Routhier Project (100%), Québec

PRODUCTION STATISTICS

Production (Cambior's share)	1992	1991	1993 E
Tons milled, grade (x 1000t @ oz Au/t)	638.1 @ 0.21	626 @ 0.21	
Recovery (%)	95.3	96.2	
Gold produced (ounces)	126,056	128,635	122,500
Tons milled, grade (x 1000t @ oz Au/t)	162.4 @ 0.17	187 @ 0.18	
Recovery (%)	96.1	94.0	
Gold produced (ounces)	26,692	31,912	20,000
Tons milled, grade (x 1000t @ oz Au/t)	219.7 @ 0.16	220 @ 0.16	
Recovery (%)	96.1	93.8	
Gold produced (ounces)	33,352	33,106	32,500
Tons milled, grade (x 1000t @ oz Au/t)	159.2 @ 0.24	94 @ 0.22	
Recovery (%)	95.3	91.8	
Gold produced (ounces)	36,128	18,647	34,000
Tons milled, grade (x 1000t @ oz Au/t)	469.3 @ 0.08	446 @ 0.09	
Recovery (%)	93.8	93.7	
Gold produced (ounces)	34,761	37,914	39,000
Tons milled, grade (x 1000t @ oz Au/t)	268.0 @ 0.13	272 @ 0.12	
Recovery (%)	90.8	89.5	
Gold produced (ounces)	32,276	29,846	15,000
Tons milled, grade (x 1000t @ oz Au/t)	—	—	12,000
Recovery (%)	—	—	
Gold produced (ounces)	—	—	
Volume milled, grade	673 @ 0.11	362 @ 0.11	
Gold produced (ounces)	64,443	32,009	65,000
Tons milled, grade (x 1000t @ oz Au/t)	—	—	280,000
Recovery (%)	—	—	
Gold produced (ounces)	—	—	
Gold produced (ounces)	590⁴	596 ⁵	
Gold produced (ounces)	354,298	312,665	620,000
Tons milled, grade (x 1000t @ % Nb ₂ O ₅)	449 @ 0.68	444 @ 0.69	
Recovery (%)	59.3	60.2	
Niobium produced (pounds)	3,619,500	3,710,200	3,637,600
Tons milled, grade	—	—	
Recovery (%)	—	—	
Metal produced (pounds)	—	—	—
Tons milled, grade	—	—	
Recovery (%)	—	—	
Metal produced (pounds)	—	—	—
Tons milled, grade	—	—	
Recovery (%)	—	—	
Metal produced (pounds)	—	—	—

GLOSSARY

Recovery: that portion of the metal contained in the ore that is successfully extracted by processing, expressed as a percentage.

Reserves

Mineable: reserves likely to be mined given current mining techniques and to which a dilution factor has been applied in accordance with the operator's experience or his knowledge of the deposit.

Proven: "proven ore" is ore in place for which the tonnage and grade have been computed from dimensions revealed in outcrops, trenches, underground workings or drill holes and for which the grade is computed from the results of adequate sampling.

Probable: "probable ore" is ore in place for which the tonnage and grade have been computed partly from specific measurements, samples or production data and partly from projections for a reasonable distance on geological evidence.

Possible: "possible ore" is ore in place for which quantitative estimates are based largely on broad knowledge of the geological character of the area and for which there are few, if any, samples or measurements.

CONVERSION TABLE

Imperial system	Metric system
1 foot (ft)	= 0.3048 metre (m)
1 mile (mi)	= 1.6093 kilometres (km)
1 square mile (mi ²)	= 2.5900 square kilometres (km ²)
1 troy ounce (oz)	= 31.1035 grams (g)
1 ton (t)	= 0.9072 tonne (mt)
1 oz/t	= 34.2857 g/mt
1 cubic yard (yd ³)	= 0.7646 cubic metre (m ³)
1 pound (lb)	= 0.4536 kilogram (kg)
Symbols used	
oz	= ounce
oz Au/t	= ounce of gold per ton
lb	= pound
yd ³	= cubic yard
Ag	= silver
Cu	= copper
Zn	= zinc

D I R E C T O R S

- Member of the Executive Committee
- ▲ Member of the Audit Committee
- Member of the Human Resources Committee
- ◆ Member of the Environment Committee

¹ Mr. Bourgoin retired from the board during the first quarter of 1993

- **Gilles Mercure**
▲ Montréal, Québec
■ Chairman of the Board, Cambior Inc.
Director of companies
- **Gérard Plourde**
Montréal, Québec
Vice Chairman of the Board, Cambior Inc.
Director Emeritus, UAP Inc.
- **Louis P. Gignac**
Brossard, Québec
President and Chief Executive Officer, Cambior Inc.
- ▲ **Claude Arcand**
◆ Boucherville, Québec
Chief Executive Officer, Orthofab Inc.
- ▲ **Claude Bourgoin¹**
◆ Ste-Foy, Québec
Professor of Mining Engineering, Université Laval, Québec
- **Michel Gaucher**
Outremont, Québec
President, Sofati Limited
- **Alan Z. Golden**
■ Montréal, Québec
◆ Partner, Phillips & Vineberg, Solicitors
- **Yves Harvey**
■ Sillery, Québec
President and Chief Executive Officer, SOQUEM
- ▲ **Albert Jessop**
Québec, Québec
Chairman of the Board, SOQUEM
- ▲ **Gonzague Langlois**
◆ Ste-Foy, Québec
Mining Consultant
- **Henri A. Roy**
Calgary, Alberta
Executive Vice President, Trizec Corporation Limited

O F F I C E R S

- Gilles Mercure**
Chairman of the Board
- Gérard Plourde**
Vice Chairman of the Board
- Louis P. Gignac**
President and Chief Executive Officer
- Alexander F. Bissett**
Vice President,
Operations - United States
- Jean Boissonnault**
Vice President,
Exploration
- Pierre D. Chenard**
Vice President,
Corporate Development and Legal Counsel
- Marcel Lalonde**
Vice President,
Control and Treasury
- Gérald Veillette**
Vice President and General Manager,
OMAI Gold Mines Limited
- Raynald Vézina**
Vice President,
Operations - Canada
- François Barron**
Corporate Secretary
- Bryan A. Coates**
Controller

S E N I O R M A N A G E M E N T

CAMBIOR INC.

- Normand Bédard**
General Manager,
Human Resources
- Mario Courchesne**
Manager,
Mineral Processing
- Michel Drouin**
Manager of Exploration,
Canada
- Yoland Dubé**
Manager,
Sleeping Giant Mine
- André Gauthier**
Manager of Exploration,
International Projects
- Réjean Gourde**
General Manager,
Val d'Or Division
- Robert LaVallière**
Manager,
Investor Relations
- Alain Krushnisky**
Manager,
Financial Information
- Marc Lessard**
Manager,
Construction and Civil Works
- Robert Marchand**
Manager,
Mining Engineering
- André Ouellet**
Manager of Exploration,
Mexico
- Jacques Perron**
General Superintendent,
Val d'Or Division
- Bertrand Potvin**
General Manager,
Rouyn-Noranda Division
- Réjean Sirois**
Manager,
Mine Geology
- F. Bruce Taylor**
General Manager,
Marketing -
Metals and Minerals
- Serge Vézina**
Manager,
Environment and Research

OMAI GOLD MINES LIMITED

- George B. Bell**
Mine Manager
- Claude Dumont**
Mine Superintendent
- Noël Gingras**
Logistics and Purchasing
Manager
- Joseph Hettinger**
Mill Superintendent
- James K. Tvedt**
Superintendent,
Accounting
- Eric Konigsmann**
Manager, Milling
- Richard Leclerc**
Superintendent,
Mining Engineering
- Norman MacLean**
Manager, Public Relations
and Human Resources
- Denis Miville-Deschênes**
Manager,
Administration
- François Viens**
Superintendent,
Mine Geology

CAMBIOR USA, INC.

- Michael Gustin**
Manager of Exploration,
United States
- Ronald J. McGregor**
Vice President, Projects
- Gregory G. Marlier**
Manager,
Administration and Finance
- L. Steve Wagner**
Manager, Mining Titles
and Legal Counsel
- Robert Walsh**
General Manager,
Valdez Creek Division



GENERAL INFORMATION

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OMAI GOLD MINES LIMITED

Administrative Office:

176-D, Middle Street
Cummingsburg
Georgetown
Guyana, South America
Tel. : 011-592-2-66463
Fax : 011-592-2-66468

CAMBIOR CHILE S.A.

Exploration Office:

Av. Providencia 2133
of. 410 (Los Leones)
Santiago, Chile
Tel. : 011-562-231-7830
Fax : 011-562-233-5451

Transfer Agent

Montreal Trust Company in
Montreal and at its principal
offices in Halifax, Québec City,
Toronto, Winnipeg, Regina,
Calgary and Vancouver

Stock Exchange Listings:

The Montréal Exchange
The Toronto Stock Exchange

Symbol:

CBJ

Recent Financial Reports

Lévesque Beaubien Geoffrion
(02/93, 08/92, 03/92)
Deacon Barclay De Zoete (01/93)
Nesbitt Thomson (01/93, 08/92)
RBC Dominion Securities
(01/93, 04/92)
Carr Kitcat & Aitken (10/92)
Yorkton Securities
(10/92, 07/92, 03/92)
First Marathon (08/92)
Wood Gundy (05/92, 03/92)
Bunting Warburg (04/92)
Burns Fry (04/92)
Cavelti (04/92)
Richardson Greenshields (04/92)
Thomson Kernaghan (04/92)
Gordon Capital (01/92)

Investor Relations and Shareholder Information

Robert LaVallière
Manager
Investor Relations

The Annual Meeting of
Shareholders will take place
on Thursday, May 6, 1993 at
11:00 am at the Queen
Elizabeth Hotel in Montreal.

A copy of the annual information
form is available to shareholders,
free of charge, upon written
request addressed to the Investor
Relations Department at the
Montreal office.

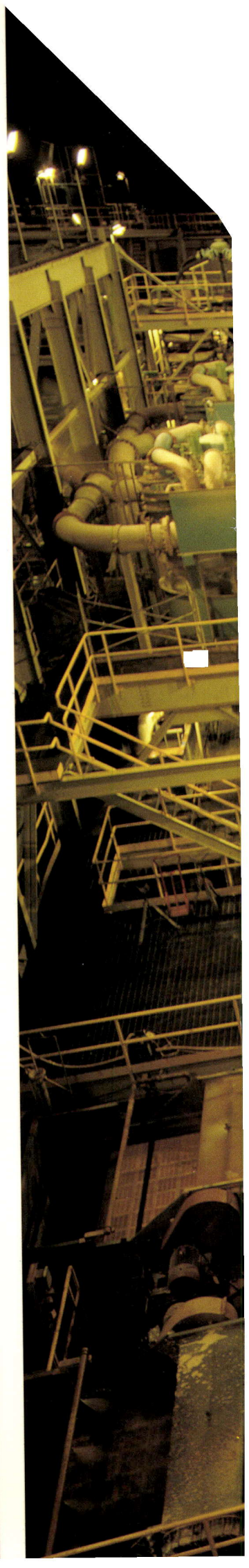
Un exemplaire français du
présent rapport annuel est
disponible sur demande. Il suffit
de s'adresser au service des
relations avec les investisseurs
du bureau de Montréal.

Legal deposit- 2nd quarter 1993
Bibliothèque nationale du Québec
ISBN 2-980 2376-5-5



CAMBIOR

The cover shows the Omai mill, the cornerstone of the Omai mining complex. This mill will process more than 15,000 tons of ore per day by the second half of 1993. The Omai Mine entered commercial production on January 15, 1993, and is expected to generate nearly 280,000 ounces of gold this year.



This page is a reference page used to track documents internally for the Division of Oil, Gas and Mining

Mine Permit Number M0270007 Mine Name Drum mine
Operator Western States Minerals Date 2/18/1983
TO _____ FROM _____

☐ CONFIDENTIAL ☐ BOND CLOSURE ☐ LARGE MAPS ☒ EXPANDABLE
☐ MULTIPUL DOCUMENT TRACKING SHEET ☐ NEW APPROVED NOI
☐ AMENDMENT ☐ OTHER _____

Description

YEAR-Record Number

☐ NOI ☒ Incoming ☐ Outgoing ☐ Internal ☐ Superceded

Annual Report

☐ NOI ☐ Incoming ☐ Outgoing ☐ Internal ☐ Superceded

☐ NOI ☐ Incoming ☐ Outgoing ☐ Internal ☐ Superceded

☐ NOI ☐ Incoming ☐ Outgoing ☐ Internal ☐ Superceded

☐ TEXT/ 81/2 X 11 MAP PAGES ☐ 11 X 17 MAPS ☐ LARGE MAP

COMMENTS: _____

CC: _____

This page is a reference page used to track documents internally for the Division of Oil, Gas and Mining

Mine Permit Number M0270007 Mine Name Drum mine
Operator Western states minerals Date 2/18/1993
TO _____ FROM _____

☐ CONFIDENTIAL ☐ BOND CLOSURE ☐ LARGE MAPS ☒ EXPANDABLE
☐ MULTIPUL DOCUMENT TRACKING SHEET ☐ NEW APPROVED NOI
☐ AMENDMENT ☐ OTHER _____

Description

YEAR-Record Number

☐ NOI ☒ Incoming ☐ Outgoing ☐ Internal ☐ Superceded

Annual Report

☐ NOI ☐ Incoming ☐ Outgoing ☐ Internal ☐ Superceded

☐ NOI ☐ Incoming ☐ Outgoing ☐ Internal ☐ Superceded

☐ NOI ☐ Incoming ☐ Outgoing ☐ Internal ☐ Superceded

☐ TEXT/ 8 1/2 X 11 MAP PAGES ☐ 11 X 17 MAPS ☐ LARGE MAP

COMMENTS: _____

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